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Unleashing South Asia
Connectivity, Sub-regional Initiatives, Energy and Investment Protection
Cost of Economic Non-Cooperation to Consumers in South Asia

South Asia is one of the least integrated regions in the world. Though there have been various reforms in the form of the agreement on South Asia Free Trade Area (SAFTA), on tariff liberalisation as well as trade facilitation, the intra-regional trade among the geographically proximate countries remains low, less than five per cent of their total trade. Due to lack of political trust, member countries maintain long list of sensitive items against each other under the SAFTA framework, which acts as a major limitation preventing SAFTA to attain its full potential.

Therefore, this paper intends to highlight the hidden benefits, which can accrue from trade in those items which are currently placed in the restricted list of items of South Asian countries. These products are identified by using a set of simple algorithmic criteria to assess their intra-regional trade potential. The criteria applied are: i) high import demand for such products in the country under consideration as reflected by their current imports from the non-SAFTA region, and ii) high export capacity in such products by one or more of other SAFTA members as reflected by their exports to the non-SAFTA region. The analysis shows that reduction in sensitive lists and resultant trade in restrictive items will result in enormous gains in the form of increased export opportunities and consumer savings.

Introduction

While home to about 25 per cent of the world's population and 18.8 per cent of the world's poor (according to the World Bank data¹, 2012), South Asia is one of the fastest developing regions in the world. Though the region accounts for only three per cent of global Gross Domestic Product (GDP) and less than two per cent of world trade, it has been making efforts to liberalise trade through various arrangements. Various attempts have been made to ease trade linkages between the South Asian countries since more than last 3 decades, starting with the formation South Asian Association for Regional Cooperation in 1985.

The states of the region have followed a long history of protectionism with inward looking policies that curtailed the region's economic growth as well as its trade flows, both within and outside the region. Unilateral liberalization initiatives started in the 1990s and worked towards accelerating growth - raising trade and investment flows in the region and as a result South Asia's growth rate over the last decade has exceeded the average in developing countries. Further, to liberalise trade and to give preferential access of market to neighbour countries, South Asian Preferential Trade Agreement (SAPTA), in 1995 and South Asia Free Trade Area (SAFTA) in 2005, were signed.

¹ Poverty and Equity Data, The World Bank - <http://povertydata.worldbank.org/poverty/region/SAS>

Importance of Trade and Trade Agreements

Trade is essentially beneficial for both the producers and consumers, although “consumer welfare effects” of trade are often neglected, as consumers’ savings due to imports are not seen as producer’s export savings. Moreover, import is often viewed with discontent owing to challenge it may pose to the sustainability of domestic industries. Irrespective of expectations and goals, a trade agreement (multilateral, preferential/regional or bilateral) cannot function without reciprocal exchange of an import concession for an export opportunity by the exporting country.

Theories of trade agreements show that the primary function of trade agreements is to resolve the mistrust between trading partners driven by terms-of-trade wars which lead to suboptimal trade relations between them. These theories predict that reciprocity and transparency are most crucial and inevitable principles of ideal trade agreements. Theoretical literature also reveals that consumer and producer welfare gains are often wrongly treated as they accrue distinctly to the importing and exporting countries respectively.

Apparently, it is both theoretically and practically impossible for a trade agreement to function if one or more of the participating countries expect either only producer welfare gain or only consumer welfare gains out of the arrangement. Each member must show willingness to accept a mixture of both.

SAPTA was envisaged primarily as the first step towards the transition to a South Asian Free Trade Area (SAFTA) leading subsequently towards a customs union, common market and economic union.

South Asian Free Trade Area (SAFTA Agreement) – *An Assessment*

The obvious and most relevant means of cooperation was to promote trade in South Asia region. With the motive of trade expansion among the member countries through mutual concessions relating to tariff, para-tariff, non-tariff measure and direct trade measures, SAFTA paved its way to usher a new era of gradual trade liberalisation, in year 2005. The agreement resulted in making significant progress on tariff liberalisation, hence facilitating trade in the region. Along with trade development, SAFTA is also seen as a medium to promote political ties within the region, especially between India and Pakistan.

It has been expressed by Bandara and Wusheng (2003) that possibility of free trade is not operational without resolving political issues. Weak diplomatic relations between India and Pakistan have been analysed as a major hindrance to the success and future of SAFTA. Also, because of frail political relations of Pakistan with India and other SAFTA countries, the recent South Asia Motor Vehicle Agreement hasn’t been concluded, which portray bleak diplomatic belief on each other in the region.

SAFTA is visualised to lead stronger economic growth, notwithstanding the controversies pertaining to trade and development policies. SAFTA consists of far reaching trade and investment liberalisation measures that go beyond the removal of tariffs and non-tariff barriers.

Free trade agreements make substantial provisions on simplification of banking facilities for import financing, transit facilities for landlocked countries, removal of barriers to intra-SAARC investments, macroeconomic consultation, rules for fair competition and promotion of venture capital, development of communication systems and transportation infrastructure, easing foreign exchange controls on repatriation of profits, simplification of procedures for business visa, etc., that may remove existing impediments to further expansion of intra-regional trade, hence generating welfare outcomes in long run.

With the help of SAFTA, South Asian countries are aiming to undertake trade facilitation measures that will greatly reduce current physical and non-physical barriers to trade. Development in both visible infrastructure (multi-modal corridors and ports) and invisible infrastructure (reforms in regulatory procedures and policies) is taking place and is expected to generate benefits through inter-industry (supply chains) linkages in the region.

Despite these efforts, South Asia remains one of the most disintegrated regions in the world. Trade negotiations under SAFTA have failed to influence growth of intra-regional trade in significant way in South Asia. Political mistrust in the region is often cited as one of the reasons for slow progress of the agreement, but the intensity of member states to resist import risks can be stated as an equal major cause of limited success of SAFTA.

Also, SAFTA is confined only to trade in goods with quite restrictive modalities such as lack of substantive tariff reduction offers, exclusion of many items through negative lists, and long time frames for tariff liberalization, which have also been reasons to slow progress of the agreement. The preference for intra-regional trade emanating from SAFTA through tariff differentials is small, showing that the agreement does not provide a significant impetus to intra-regional trade. The share of intra-regional trade in total trade of the region has improved from 2.5 per cent to 4.8 per cent during 1995 to 2010², which was less than 5 per cent till 2015, far below as compared to 24.1 per cent (FY 2014) in ASEAN region³, 62.22 per cent for European Union (2013)⁴ and 12 per cent (2007-2011) for East African region.⁵

It is generally stated that SAFTA is yet to achieve its intended objective of enhancing intra-regional trade as a result of limited product coverage. Concerns of unequal distribution of gains and unbalanced negotiating outcomes have also affected the interests of SAFTA to its member states. Negotiations under SAFTA are always seen to benefit India, as it is the largest economy in South Asia, which is not true.

Another reason is the protective tendency of SAFTA member states to keep particular set of products out of bound of the Agreement's Tariff Liberalisation Programme (TLP), in the form of Sensitive lists. Longstanding border disputes and political mistrust, particularly India-Pakistan discord, have been accused of having affected the economic relations of the region. Most of the goods appearing on SAFTA's negative list make their way across borders via informal channels. Slow progress in SAFTA has prompted many countries in the region

² Consumers and Economic Cooperation – Cost of Economic Non-cooperation to Consumers in South Asia, CUTS 2012

³ Intra- and extra-ASEAN trade, 2014,

http://www.asean.org/storage/2016/01/statistic/table18_asof21Dec2015.pdf

⁴ Intra –EU trade, http://ec.europa.eu/eurostat/statisticsexplained/index.php/Intra-EU_trade_of_the_most_traded_goods

⁵ Intra- regional trade of East African region, http://unctad.org/en/PublicationsLibrary/aldcafrica2013_en.pdf

to initiate and engage in bilateral free trade agreements, some of which are more liberal and progressive compared to SAFTA.

While these factors have contributed to weak regional integration in South Asia, one of the notable results of economic non-cooperation among the member states are high costs to consumers. Enhanced regional trade would bring down prices of many commodities significantly by avoiding additional costs of imports from outside the region, as South Asian countries are geographically proximate and transportation and logistics within the region would be easier and cost effective. In this paper, author has estimated possible consumer gains, resulting from intra-regional trade in those products which are currently placed in the sensitive lists of South Asian under the SAFTA agreement.

Potential Consumer Gains – *Quantitative Assessment*

An assessment of consumer welfare gains from trade liberalisation should be considered as an important aspect to push for tariff liberalisation agenda, without which deep economic integration remains unattainable. In order to do this assessment, the most important step is to realise the importance of granting import concessions, not only as a policy tool to gain export markets but also as a significant source of economic benefits on its own. In this context, an assessment of potential gains to South Asian consumers arising from enhanced intra-regional imports has been carried out in this paper. The analysis measures - consumer welfare impact from an increase in imports of reserved product categories, which should be brought under the ambit of tariff liberalisation scheme under SAFTA.

The basis for this analysis is drawn from the notion that, when countries are allowed to choose sectors that can be excluded from tariff preferences under a PTA, domestic lobbies work to ensure exclusion of products in which they may not withstand competition from the partner countries. Thus, such lists of items provide a chance to identify sectors where intra-regional trade is possible.

Though member countries adopted a reduced sensitive list containing items which are not subject to tariff reduction, the respective lists maintained are still large and include many items in which SAFTA trading partners' exhibits comparative advantage. With the exception of Bhutan, all other seven members elected to exclude more than 10 per cent of total product lines (HS 6-Digit Level) from the ambit of the TLP. At the time preferential tariff reductions were initiated under SAFTA in 2006, all the major five member countries kept 15 to 25 per cent of total product lines out of bounds under their respective sensitive lists. Though, the members keep revising these lists, time to time, only marginal reductions has been achieved so far. Latest revisions made under SAFTA sensitive list of India for LDCs has 614 product categories and 25 product categories for non-LDCs, while Pakistan retains 936 product categories in its sensitive list. Bangladesh, Nepal, and Sri Lanka still retain more than 1000 product categories in their sensitive lists.

In this paper consumer welfare gains from enhanced intra-regional trade have been assessed with the help of two stage method in this paper. In the first stage, an algorithmic process is used to select products from the sensitive lists of the five major South Asian countries, Bangladesh, India, Nepal, Pakistan and Sri Lanka, to calculate minimum gains (current) for product categories with maximum potential to consumer welfare gain. The selection of product categories is based on the criteria that, products in sensitive list of SAFTA member country (m), with high share in total exports of SAFTA member country to rest of the world

(RoW), reflecting export potential of SAFTA member in such product and further filtered by selecting products in which exports of partner country to member country is minimal, while imports of member country from RoW is high, reflecting high intraregional trade. Fifty such products were selected for each combination of member country with SAFTA partner countries.

In the second stage, potential consumer welfare gains have been calculated as difference between current import expenditure incurred by member country on selected products and likely import expenditure if same product/s were imported from SAFTA member countries. The consumer welfare has been calculated on the basis of the following equation:

$$\sum CW^{mi} = (P^{mi} - P^{pi})Q^{mi}$$

where,

CW^{mi} – Consumer Welfare due to change in import price of country m in product i,

P – Price; Q – Quantity; m – member country; p –country under consideration;

P^{mi} – Price at which SAFTA member country import product from RoW

P^{pi} – Price at which SAFTA partner country export product to RoW

Q^{mi} – Quantity (potential quantity has been calculated by

In this calculation, those product categories get eliminated whose current export price to RoW by the SAFTA partner country is higher than the current import price of the member country from RoW. Only those products with potential for savings on imports leading to reduction in consumer expenditure are considered and thus the estimation method helps to identify products with maximum potential consumer welfare gains for each country and, therefore, qualify for removal from their respective sensitive lists.

One of the important features of this methodology is that it minimises the risks of displacement of domestic industries owing to imports - the single most important concern of an importing country - because it ensures selection of product categories which already rank high in the import baskets of the respective SAFTA members. Also, intra-regional trade emerging from reduction in tariff on these selected products will result in gain, in terms of export earnings, for each SAFTA member country.

Results of Consumer Welfare Gains

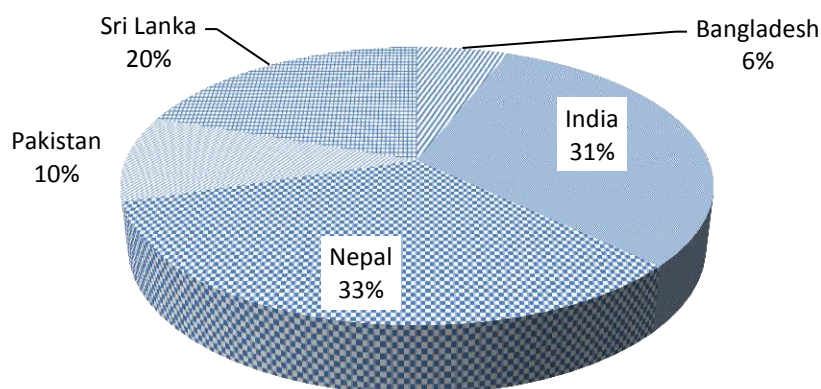
After identification of products which satisfy the aforementioned criteria from the sensitive lists of each of the five major SAFTA members (Bangladesh, India, Nepal, Pakistan and Sri Lanka), consumer welfare gains, represented by reduced import bills, arising for each country in each product category were calculated.

Table-1 summarises the aggregate results. In all, a total of 351 product categories are identified from sensitive lists of five South Asian countries which have high regional trade potential and could provide high welfare gains. Current aggregate import bills paid to RoW by SAFTA members, on imports for these product categories amount US\$ 20,734.70 million. Intra-regional trade at reduced prices would generate 26.64 percent savings on this import expenditure, leading to annual savings of about US\$ 5523.28 million for consumers belonging to the region.

Table 1: Summary of Aggregate Consumer Welfare Gains in South Asia				
SAFTA member country	Total Product Lines in Sensitive Lists	Consumer Gains (in US\$'000)	Current Value of Imports of Country from RoW (in US\$'000)	Percentage Consumer Gain from Imports
Bangladesh	61	3,30,148.23	34,88,836	9.46
India	50	17,18,717.57	54,50,233	31.53
Nepal	56	18,30,018.34	23,09,782	79.23
Pakistan	88	5,55,734.73	42,47,221	13.08
Sri Lanka	96	10,88,665.68	52,38,626	20.78
Total	351	55,23,284.56	207,34,698	26.64
<i>Source: Author's calculation based on trade data FY2014; Trade Data - Trade Map, International Trade Centre, Geneva, data as on August 2016</i>				

Figure 1, shows the share of aggregate welfare gain for each SAFTA member. Nepal tops the list in terms of share in aggregate regional gains, accounting for about 33 per cent gain. It is proportionate with the high number of product lines that qualified for removal from Nepal's sensitive list. India stand next to Nepal with almost equal amount of consumer gains, from further reduction in sensitive lists. Despite the slight variation in share on total gains, all countries stand to gain substantially in terms of gains per capita, in proportion with their economic size and population. Though Bangladesh receives only 6 per cent of total gains, the lowest, it stands to save 9.46 per cent on its current import expenditure on selected products.

Figure 1 - Country-wise share in Aggregate Regional Consumer Welfare Gains (FY 2014)



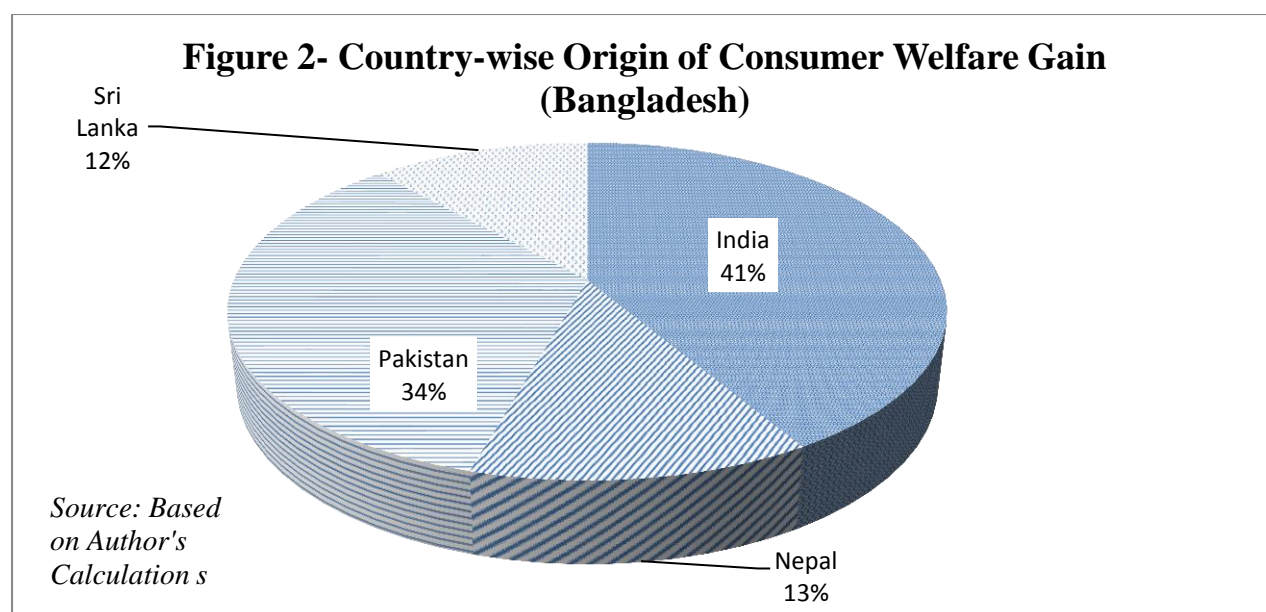
Source: Based on Author's Calculations

Bangladesh

61 product lines qualify for removal from Bangladesh's sensitive list, bringing about US\$ 330.15 million (Table 1) worth of savings on imports, which is about 9.46 per cent of current expenditure. Table 2 summarises consumer welfare gains for Bangladesh arising from each South Asian country. Import from SAFTA trading partners is almost evenly distributed in terms of product lines, but most of the gains accrue from imports from Pakistan (61.96 per cent) and Nepal (22.23 per cent).

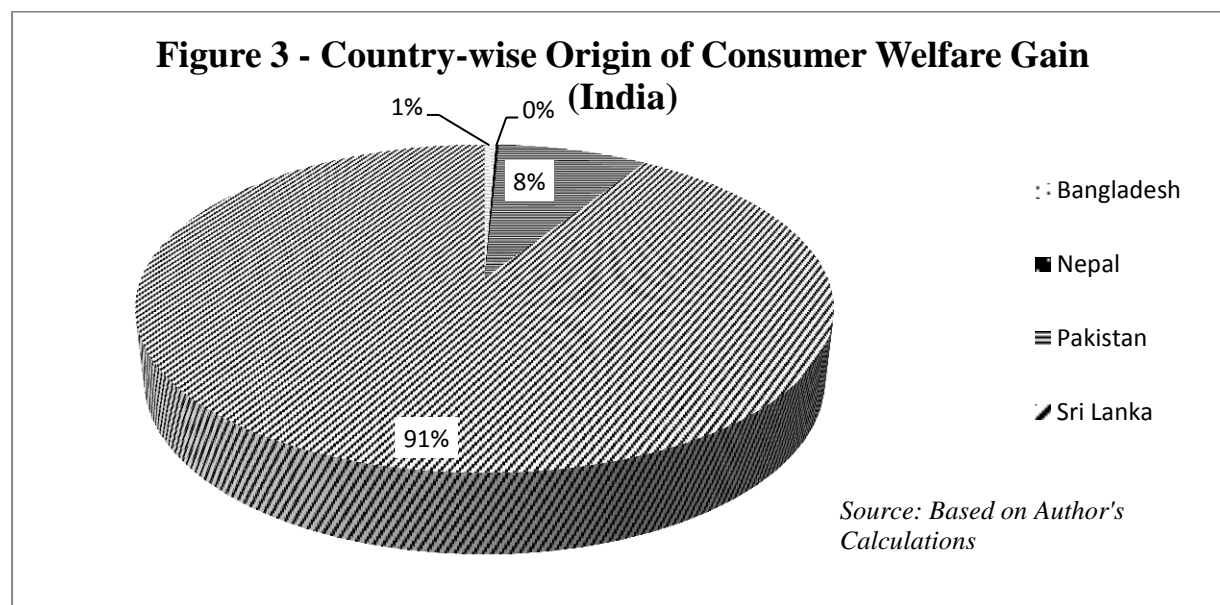
Table 2: Summary on Consumer Welfare Gains - Bangladesh				
SAFTA member country	Identified No. of Product lines in Sensitive List	Consumer Gains (in US\$'000)	Current Value of Imports by Bangladesh from RoW (in US\$'000)	Percentage Consumer Gains from Imports
India	15	1,36,891.16	7,33,897.00	18.65
Nepal	17	42,707.99	1,92,113.00	22.23
Pakistan	17	1,11,925.43	1,80,635.00	61.96
Sri Lanka	12	38,623.66	23,82,191.00	0.02
<i>Source: Author's calculation based on trade data FY2014; Trade Data - Trade Map, International Trade Centre, Geneva, data as on August 2016</i>				

Figure 2 gives country wise origin of consumer welfare gain for Bangladesh. Consumer welfare gains for Bangladeshi consumers arise mostly from India. After India, most of consumer welfare gain comes from Pakistan, for Bangladesh. Broad categories of products which can benefit Bangladeshi consumers are furniture, mattresses and quilts, articles of iron and steel, plastic and its articles.



India

Results for India show total gains worth US\$ 1718.72 million (Table 1). Even though this figure is much higher in absolute terms, compared to other countries, relative gains for India may be lower than its SAFTA trading partners, given its large economic and demographic size. An interesting feature is that more than 90 per cent of the gains accrue by way of imports from Sri Lanka of apparel articles (pullovers, t-shirts, trousers, etc.).



Though only three products (tobacco extracts, rum and spirits and grape wine) are eligible for imports from Nepal, India stands to gain 11.98 per cent on their import bills. Seven product lines eligible for imports from Bangladesh chiefly consist of articles of tobacco, cigars and whiskies and wines. For Nepal and Bangladesh, products are very less because India maintains a very short sensitive list against LDCs under SAFTA. However, because of comparatively low price differential between the two countries and identification of those products in which these countries don't have domestic production, saving on these items together contribute to only 0.8 per cent of India's total welfare gains (refer table 3 and figure 3 for more details).

Table 3: Summary on Consumer Welfare Gains - India				
SAFTA member country	Identified No. of Product lines in Sensitive List	Consumer Gains (in US\$'000)	Current value of Imports by India from the RoW (in US\$'000)	Percentage Consumer Gains from Imports
Bangladesh	7	10,608.97	1,81,749.00	5.84
Nepal	3	3,010.68	25,133.00	11.98
Pakistan	19	1,42,069.31	8,54,734.00	16.62
Sri Lanka	21	15,63,028.61	43,88,617.00	35.62
<i>Source: Author's calculation based on trade data FY2014; Trade Data - Trade Map, International Trade Centre, Geneva, data as on August 2016</i>				

Nepal

Nepal accounts for about 79.23 per cent of aggregate regional welfare gains through this analysis, as there are no substantial exports to Nepal from SAFTA member countries.

Table 4: Summary on Consumer Welfare Gains - Nepal				
SAFTA member country	Identified No. of Product lines in Sensitive List	Consumer Gains (in US\$'000)	Current Value of Imports by Nepal from RoW (in US\$'000)	Percentage Consumer Gains from Imports
Bangladesh	10	20,616.33	1,10,191.00	18.71
India	13	15,772.41	1,99,925.00	7.889
Pakistan	18	9,14,712.05	10,41,223.00	87.85
Sri Lanka	15	8,78,917.55	9,58,443.00	91.70

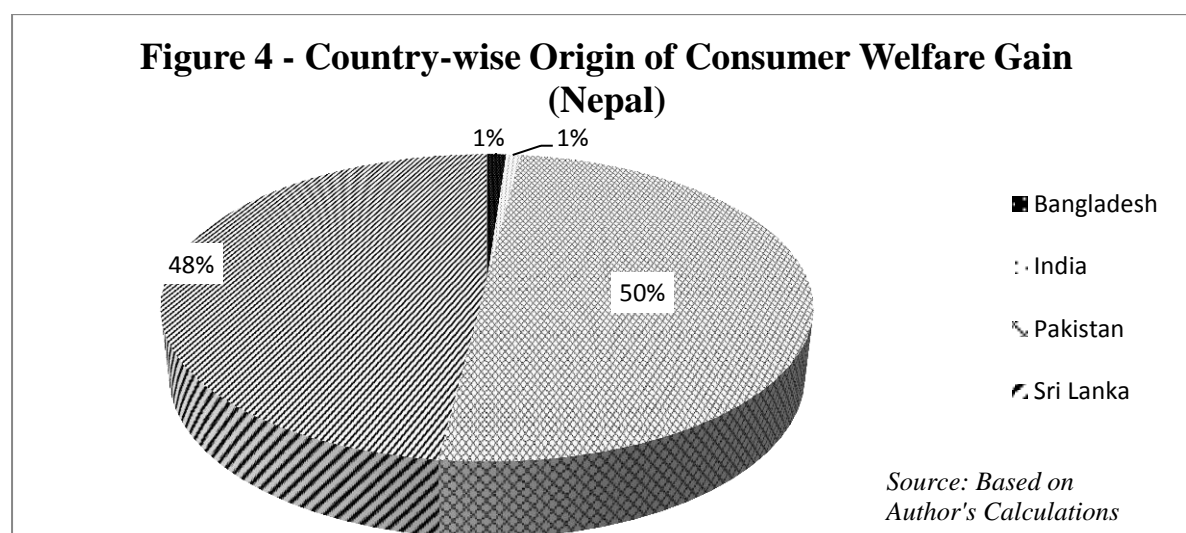
Source: Author's calculation based on trade data FY2014; Trade Data - Trade Map, International Trade Centre, Geneva, data as on August 2016

Through import displacement in 56 selected product categories, the landlocked state would save US\$ 1830.02 million (Table 1), which is almost 80 per cent of their current import expenditure on these categories. Contributions of each SAFTA member country towards these gains have been shown in Table 4, for Nepal.

Imports from Pakistan and Sri Lanka account for the bulk of the country's welfare gains. The key items which would help Nepal save on spending are electronic items and vehicles and mineral fuels and oils.

Nepal's trade prospects with India through our methodology seem to be weak, as India is already its major trade partner. However, with other countries in the region, there exist import opportunities for Nepal with good prospects for welfare gains.

Figure 4 portrays country-wise origin of consumer welfare gains for Nepal. Pakistan and Sri Lanka together account for more than 98 per cent of consumer welfare gains for Nepal.

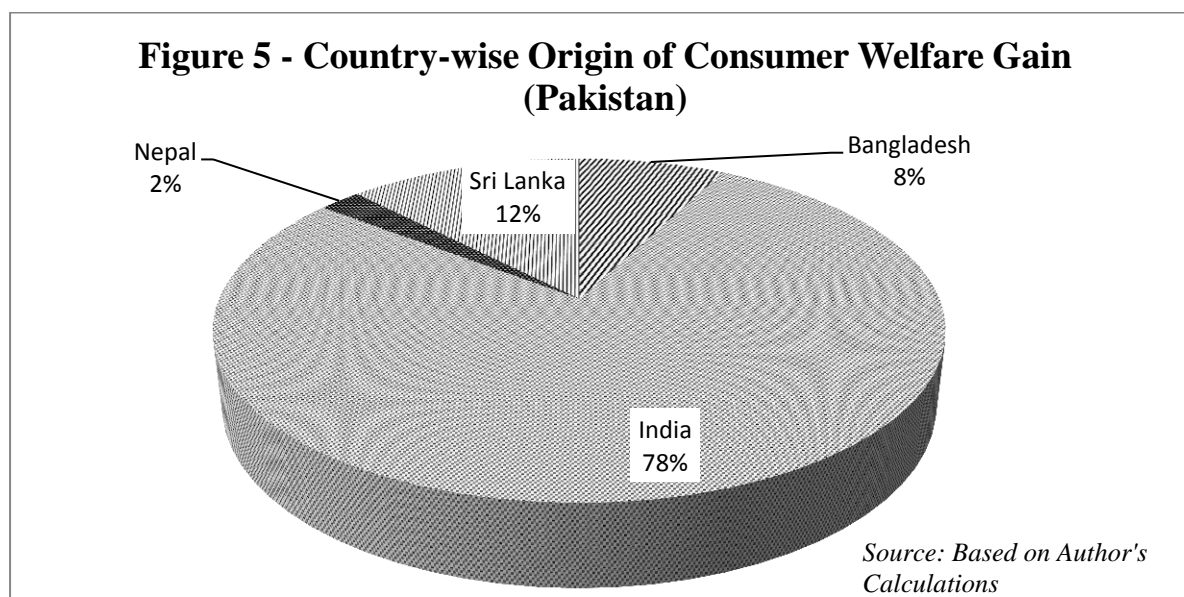


Pakistan

In case of Pakistan, the results show a selection of 88 product lines from its sensitive list with an aggregate saving of US\$ 555.73 million, which is approximately 13 per cent of its current import bills on the selected product categories (Table 1), Table 5 gives contribution of each SAFTA member country towards consumer gains of Pakistan.

Table 5: Summary on Consumer Welfare Gains - Pakistan				
SAFTA member country	Identified No. of Product lines in Sensitive List	Consumer Gains (in US\$'000)	Current Value of Imports by Pakistan from RoW (in US\$'000)	Percentage Consumer Gains from Imports
Bangladesh	20	42,654.19	7,74,839.00	5.50
India	29	4,32,302.91	18,39,453.00	23.50
Nepal	22	12,248.26	9,74,568.00	1.26
Sri Lanka	17	68,529.37	6,58,361.00	10.41
<i>Source: Author's calculation based on trade data FY2014; Trade Data - Trade Map, International Trade Centre, Geneva, data as on August 2016</i>				

Pakistan stands to gain predominantly through imports from India, accounting for almost 78 per cent of its total welfare gains (Figure – 5), while Nepal's contribution according to this analysis stands as low as just 2 per cent.



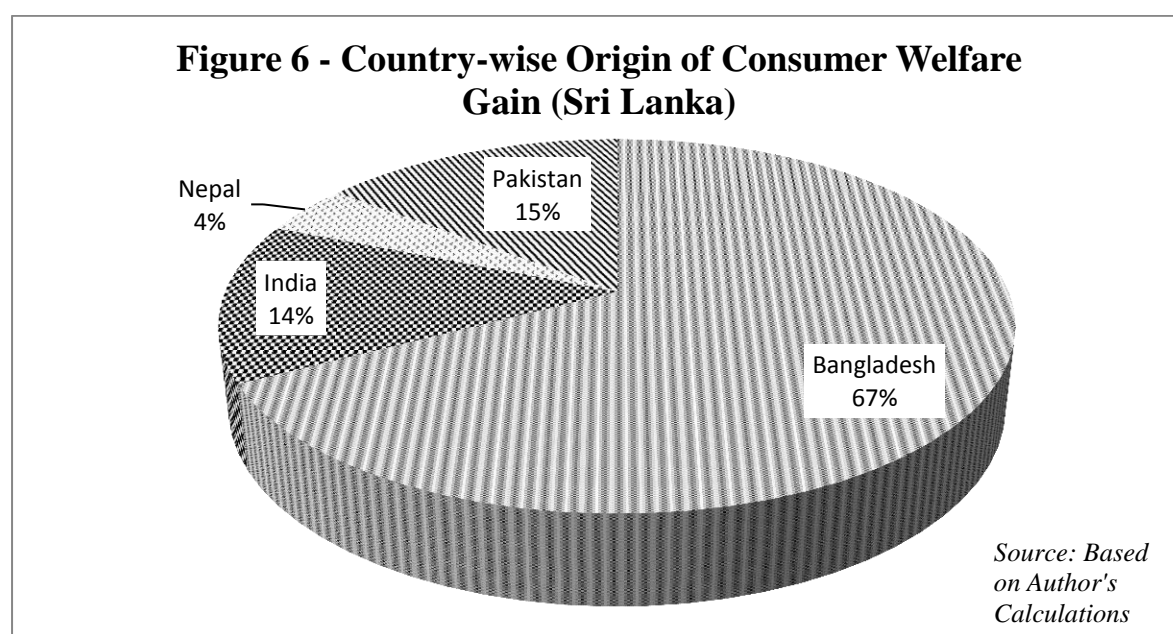
Sri Lanka

The aggregate welfare gains of Sri Lanka amount to 20.78 per cent with total consumer welfare gains or saving for Sri Lanka consumer of US\$ 1088.66 million (Table 6 and Figure 6). Almost 67 per cent of consumer gains for Sri Lanka are arising from Bangladesh if the former imports (chiefly glazed or unpolished rice, and dry and unsalted fish) from Bangladesh.

Table 6: Summary on Consumer Welfare Gains - Sri Lanka				
SAFTA member country	Identified No. of Product lines in Sensitive List	Consumer Gains (in US\$'000)	Current Value of Imports by Sri Lanka from RoW (in US\$'000)	Percentage Consumer Gains from Imports
Bangladesh	23	7,32,196.28	15,02,407.00	48.73
India	21	1,50,789.67	21,47,673.00	7.02
Nepal	24	46,764.27	6,97,202.00	6.71
Pakistan	28	1,58,915.47	8,91,344.00	17.83
<i>Source: Author's calculation based on trade data FY2014; Trade Data - Trade Map, International Trade Centre, Geneva, data as on August 2016</i>				

A total of 96 product categories have been selected from the sensitive list of Sri Lanka, importing which could result in huge amount of savings.

Table 6 shows the contribution in saving of Sri Lanka by the SAFTA member countries. Most of the gains are accruing from Bangladesh and Pakistan in Sri Lanka.



Conclusions

An increase in intra-regional trade also implies enhanced export opportunities for SAFTA members. As according to the approach, the analysis considers replacement of imports to the region from RoW with cheaper imports from within, the difference between current total import expenditure on the selected products and the aggregate savings on import bills by all countries should amount to the total exports that would be internalised by South Asian region. This figure stands at around US\$ 15.2 billion (difference between US\$ 20.74 billion and US\$5.52 billion, from Table 1).

The approach used in this paper provides the minimum consumer welfare gains accruing to South Asian consumers directly from preferential tariff reduction under SAFTA. It needs to be noted that the assessment of consumer welfare gains here omits certain crucial aspects because of data limitations and other factors, implying that the actual welfare gains could be much higher. Since it is safe to assume that transportation costs would be less because of proximity to each other within the region, export prices (South Asia to South Asia) may further fall when it comes to intra-regional trade.

Another major concern raised is the possibility of trade diversion. Since South Asian exporters are already price competitive, compared to RoW even before liberalisation, removal of these products from the sensitive list is unlikely to replace more efficient producers from outside the preferential region.

Further, the figures for consumer welfare gains generated show the effects of change in import price with fixed quantity of imports. But, the initial changes in import prices owing to preferential trade are only a starting point, which trigger other factors into action, with a combined effect of increasing consumer welfare gains several times in the initial figures. Specifically, the following three main effects should be considered:

Effects of domestic price reduction due to enhanced import competition

The effect here implies savings on consumer expenditure on not only imported products but also domestically manufactured items facing import competition. A fall in import prices within the South Asian region will have a competitive effect on domestic manufacturing in the selected sectors as well as exports from RoW, leading to overall control effects on prices of the commodities under consideration.

Effects of trade creation due to increase in import demand

The effect of trade creation is closely linked, as the affordability of consumers rises because of fall in prices, more of the imported product will be in demand, implying possible trade creation. In general, irrespective of whether trade creation actually occurs or not, consumption baskets of buyers expand, as their real income increases.

Effects of reduction in trade costs and subsequently import prices within the SAARC region, following the development of trade infrastructure

Here the effect refers to an often hidden positive impact on consumption. The fact that South Asian countries are importing the selected products from RoW, although regional trading partners are relatively more price competitive, suggests that non-tariff barriers (NTBs) could be impeding trade in such products more than tariffs and that these NTBs hurt South Asian exporters more than RoW exporters. As discussed earlier intra-regional trade costs because of poor connectivity, transport infrastructure, costly customs procedures and absence of adequate trade finance are very high in South Asia.

Therefore, there is the need for trade policy reforms at the regional level to improve this situation, which could not be initiated without actual increase in trade volume between South Asian countries. As trade volume increases, it would naturally fuel growth of trade relationships, resulting in better trade facilitation measures, procedural ease and economies of scale in the transport sector, better returns and rents from investments in trade infrastructure and additional incentives for private enterprises to explore regional markets. Substantial reduction in trade costs can surely be expected from such virtuous cycle of trade resulting in more trade. Since the efforts to reintegrate South Asia are still stuck at the first stage of tariff reforms, physical blockades maintained at the international borders in the region preceding the formation of SAARC, continue to be left unattended.

Among the trade barriers in South Asia are poor trade infrastructure at borders and ports, lack of transit agreements and procedural delays, retention of sensitive lists against each other is also one major issue hindering intra-regional trade. Reduction or elimination of sensitive lists can also provide boost in intra-regional trade within South Asia. According to our analysis there is a huge intraregional trade potential, which is currently reserved in the sensitive lists of the 5 largest economies out of the 8 member countries of SAFTA (Bangladesh, India, Nepal, Pakistan and Sri Lanka).

The potential consumer welfare accruing to each country, derived by taking the difference between the total import expenditure in the selected products incurred by the country under consideration and likely import expenditure if that country were to import the same products from SAFTA trading partners at a lower price currently offered by them, the result shows an aggregate minimum consumer welfare gain of US\$ 5523.28 million per annum to the South Asian region, which is about 26.64 per cent of savings on consumer expenditure.

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Annexure –

**Partner Country-wise and Product-wise consumer welfare gains for five major South Asian Countries
(Analysis of products in the sensitive lists)**

Bangladesh					
(with India)					
Product Code	Product Description	Bangladesh's Import Price	India's Export Price	India's Potential to Export Quantity	Consumer Gains
240120	Tobacco, unmanufactured, partly or wholly stemmed or stripped	6.38	3.53	1087	3,091.20
392690	Articles of plastics or of other materials of Nos 39.01 to 39.14 nes	7.11	2.59	11256	50,825.34
520524	Cotton yarn,>=85%, single, combed, 192.31 >tex>=125, not put up	3.84	3.61	8177	1,865.78
540233	Textured yarn nes,of polyester filaments,not put up for retail sale	1.83	1.82	46221	525.51
611120	Babies garments and clothing accessories of cotton, knitted	26.18	12.94	28	370.72
630419	Bedspreads of textile materials, nes, not knitted or crocheted	11.21	11.14	11	0.71
690890	Tiles, cubes and sim nes, glazed ceramics	0.74	0.50	67667	15,954.82
730890	Structures&parts of structures,i/s (ex prefab bldgs of headg no.9406)	3.57	1.74	31759	58,007.47
731815	Bolts o screws nes,with o without their nuts o washers,iron o steel	3.16	2.18	2879	2,824.12
732393	Table,kitchen or other household art&parts thereof,stainless steel,nes	5.44	3.79	222	366.31
732599	Articles of iron or steel, cast, nes	3.05	2.22	30	24.88
732619	Articles of iron or steel, forged or stamped, but not further worked	5.66	3.54	249	527.69
732690	Articles, iron or steel, nes	3.91	3.65	8568	2,249.60
870321	Automobiles w reciprocating piston engine displacg not more than 1000 cc	9.59	9.59	156	0.29
940360	Furniture, wooden, nes	5.08	4.88	1257	256.72
(with Nepal)					
Product Code	Product Description	Bangladesh's Import Price	Nepal's Export Price	Nepal's Potential to Export Quantity	Consumer Gains
190219	Uncooked pasta, not stuffed or otherwise prepared, nes	1.36	1.34	564	9.70

721720	Wire of iron or non-alloy steel, zinc plated/coated	1.00	0.85	5,963	900.16
730630	Tubes,pipe & hollow profiles,iron or nas,welded,of circ cross sect,nes	1.08	0.69	10,233	3,990.46
730690	Tubes, pipe & hollow profiles, iron or steel, welded, nes	1.04	0.62	1,627	679.63
610442	Womens/girls dresses, of cotton, knitted	42.27	41.77	30	14.79
220290	Non-alcoholic beverages nes,excludg fruit/veg juices of headg No 20.09	1.25	0.68	1,034	581.97
091011	Ginger : Neither crushed nor ground	0.83	0.18	19,700	12,625.18
040590	Fats and oils derived from milk nes	4.28	3.52	450	342.12
550951	Yarn of polyester staple fibres mixd w/ arti staple fib,not put up,nes	3.36	2.52	2,557	2,146.82
550922	Yarn,>=85% of polyester staple fibres, multiple, not put up, nes	2.85	1.99	1,019	880.51
392350	Stoppers, lids, caps and other closures of plastics	5.92	3.80	958	2,035.27
550921	Yarn,>=85% of polyester staple fibres, single, not put up	4.01	1.81	5,123	11,242.77
481920	Cartons,boxes and cases,folding,of non-corrugated paper or paperboard	5.53	3.29	428	956.27
830629	Statuettes and other ornaments, nes	9.68	5.11	228	1,042.45
630520	Sacks and bags, for packing of goods, of cotton	20.00	11.65	1	8.35
392330	Carboys, bottles, flasks and similar articles of plastics	12.05	1.64	480	4,995.08
940490	Articles of bedding/furnishing, nes, stuffed or internally fitted	16.19	1.94	18	256.45

(with Pakistan)

Product Code	Product Description	Bangladesh's Import Price	Pakistan's Export Price	Pakistan's Potential to Export Quantity	Consumer Gains
940490	Articles of bedding/furnishing, nes, stuffed or internally fitted	16.19	9.50	235	1,572.33
630239	Bed linen, of other textile materials, nes	12.75	6.12	4	26.54
630231	Bed linen, of cotton, nes	12.50	7.66	41	198.37
730890	Structures&parts of structures,i/s (ex prefab bldgs of headg no.9406)	3.57	0.58	33253	99,333.54
630210	Bed linen, of textile knitted or crocheted materials	8.00	6.23	1	1.77
220710	Undenaturd ethyl alcohol of an alcohol strgth by vol of 80% vol/higher	2.87	1.12	102	178.88
170410	Chewing gum containing sugar, except medicinal	3.35	2.10	88	110.21
481159	Paper and paperboard, surface-coloured, surface-decorated or printed,	3.65	2.61	6179	6,411.34
611090	Pullovers,cardigans&similar articles of oth textile materials,knitted	69.84	69.00	25	21.04

630299	Toilet and kitchen linen, of other textile materials	5.15	4.72	13	5.66
730690	Tubes, pipe & hollow profiles, iron or steel, welded, nes	1.04	0.79	1627	412.85
170490	Sugar confectionery nes (includg white chocolate),not containg cocoa	2.66	2.42	768	179.05
520812	Plain weave cotton fabric,>/=85%, >100 g/m2 to 200 g/m2, unbleached	6.19	5.97	1063	231.29
551341	Plain weave polyester stapl fib fab,<85%,mixd w/cot,<=170g/m2,printd	11.36	11.23	554	72.20
220720	Ethyl alcohol and other spirits, denatured, of any strength	1.16	1.14	329	7.36
252329	Portland cement nes	0.08	0.06	141245	3,159.64
520813	Twill weave cotton fabric,>/=85%, not more than 200 g/m2, unbleached	7.50	7.49	262	3.37
(with Sri Lanka)					
Product Code	Product Description	Bangladesh's Import Price	Sri Lanka's Export Price	Sri Lanka's Potential to Export Quantity	Consumer Gains
190531	Sweet biscuits	2.85	1.93	216.00	198.92
271019	Other petroleum oils and preparations	0.78	0.72	4,08,945.00	23,149.22
392321	Sacks and bags (including cones) of polymers of ethylene	6.89	2.81	1,910.00	7,793.76
610442	Womens/girls dresses, of cotton, knitted	42.27	41.52	30.00	22.42
610443	Womens/girls dresses, of synthetic fibres, knitted	45.50	44.81	4.00	2.76
610463	Womens/girls trousers and shorts, of synthetic fibres, knitted	35.44	35.42	25.00	0.44
610711	Mens/boys underpants and briefs, of cotton, knitted	39.00	31.33	5.00	38.33
610829	Womens/girls briefs and panties, of other textile materials, knitted	40.62	40.49	58.00	7.58
611120	Babies garments and clothing accessories of cotton, knitted	26.18	17.74	28.00	236.14
611130	Babies garments and clothing accessories of synthetic fibres, knitted	35.00	16.22	4.00	75.12
621210	Brassieres and parts thereof, of textile materials	84.02	54.10	237.00	7,090.82
960310	Brooms/brushes of twigs/oth veg mat bound together,with/w/o handles	6.67	3.95	3.00	8.15

India					
(with Bangladesh)					
Product Code	Product Description	India's Import Price	Bangladesh's Export Price	Bangladesh's Potential to Export Quantity	Consumer Gains
240120	Tobacco, unmanufactured, partly or wholly stemmed or stripped	8.84	4.39	1796	7,995.40
240399	Tobacco extracts and essences	8.54	5.57	321	953.43
240210	Cigars, cheroots and cigarillos, containing tobacco	101.00	8.17	9	835.47
240220	Cigarettes containing tobacco	19.24	4.79	56	809.20
220410	Grape wines, sparkling	14.17	5.00	1	9.17
220830	Whiskies	11.04	5.00	1	6.04
220710	Udenaturd ethyl alcohol of an alcohol strgth by vol of 80% vol/higher	1.13	1.00	2	0.26
(with Nepal)					
Product Code	Product Description	India's Import Price	Nepal's Export Price	Nepal's Potential to Export Quantity	Consumer Gains
240399	Tobacco extracts and essences	8.54	4.92	826	2,987.02
220840	Rum and tafia	6.01	4.94	16	17.14
220820	Spirits obtained by distilling grape wine or grape marc	9.52	3.00	1	6.52
(with Pakistan)					
Product Code	Product Description	India's Import Price	Pakistan's Export Price	Pakistan's Potential to Export Quantity	Consumer Gains
610590	Mens/boys shirts, of other textile materials, knitted	58.00	0.00	9.00	521.96
610439	Womens/girls jackets, of other textile materials, knitted	61.86	51.85	13.00	130.08
520511	Cotton yarn,>/=85%,single,uncombd,>/=714.29 dtex, nt put up	8.98	2.60	308.00	1,965.17
030617	Other frozen shrimps and prawns	9.16	6.44	61.00	166.21
170199	Refined cane or beet sugar, solid, without flavouring or colouring matter	2.75	0.45	576	1,325.06

611596	Full-length or knee-length stockings, socks and other hosiery, incl. f	25.15	23.35	34	61.15
620791	Mens/boys bathrobes, dressing gowns, etc of cotton, not knitted	18.08	16.35	13	22.51
611595	Full-length or knee-length stockings, socks and other hosiery, incl. f	19.88	18.42	41	60.07
610349	Mens/boys trousers and shorts, of other textile materials, knitted	32.67	31.75	44	40.16
630210	Bed linen, of textile knitted or crocheted materials	6.88	6.23	49	31.91
520100	Cotton, not carded or combed	2.22	1.69	85089	44,905.93
080450	Guavas, mangoes and mangosteens, fresh or dried	1.04	0.54	1036	521.11
100640	Rice, broken	0.87	0.42	100	45.43
100630	Rice, semi-milled or wholly milled, whether or not polished or glazed	0.96	0.59	1494	542.45
251512	Marble & travertine, merely cut, by sawing or otherwise into blocks etc	0.37	0.12	358680	90,538.78
110100	Wheat or meslin flour	0.65	0.44	2189	473.54
610342	Mens/boys trousers and shorts, of cotton, knitted	26.78	26.69	58	4.81
120740	Sesamum seeds, whether or not broken	1.99	1.96	26752	709.49
220710	Undenatured ethyl alcohol of an alcohol strength by vol of 80% vol/higher	1.13	1.12	291	3.48
(with Sri Lanka)					
Product Code	Product Description	India's Import Price	Sri Lanka's Export Price	Sri Lanka's Potential to Export Quantity	Consumer Gains
611030	Pullovers, cardigans and similar articles of man-made fibres, knitted	1,366.21	1.77	343	4,68,004.05
620349	Mens/boys trousers and shorts, of other textile materials, not knitted	1,365.75	9.59	162	2,19,698.47
620443	Womens/girls dresses, of synthetic fibres, not knitted	766.07	3.80	68	51,834.66
620433	Womens/girls jackets, of synthetic fibres, not knitted	760.05	20.15	105	77,689.27
620640	Womens/girls blouses and shirts, of man-made fibres, not knitted	512.34	3.88	179	91,012.65
611020	Pullovers, cardigans and similar articles of cotton, knitted	494.52	1.09	259	1,27,799.34
620590	Mens/boys shirts, of other textile materials, not knitted	521.78	201.80	96	30,718.52
610910	T-shirts, singlets and other vests, of cotton, knitted	307.34	12.77	843	2,48,325.16
611790	Parts of garments/of clothing accessories, of textile materials, knitted	221.35	24.18	53	10,450.22
853720	Boards, panels, including numerical control panels, for a voltage > 1,000 V	224.30	32.87	90	17,228.71

620462	Womens/girls trousers and shorts, of cotton, not knitted	178.38	0.36	519	92,393.69
620333	Mens/boys jackets and blazers, of synthetic fibres, not knitted	108.04	4.72	238	24,590.35
620469	Womens/girls trousers & shorts, of other textile materials, not knitted	97.31	0.54	175	16,934.05
853710	Boards, panels, includg numerical control panels, for a voltage <=1000 V	102.34	17.62	213	18,046.41
401693	Gaskets, washers and other seals of vulcanised rubber	40.50	5.45	1177	41,255.97
330190	Conc&aqueous distls of essentl oils; terpenic by-prods of essentl oils	26.99	2.56	522	12,752.87
610990	T-shirts, singlets and other vests, of other textile materials, knitted	15.52	0.15	368	5,655.36
030616	Frozen cold-water shrimps and prawns	28.56	13.81	365	5,384.22
230990	Animal feed preparations nes	3.66	0.42	489	1,584.32
854449	Electric conductors, for a voltage not exceeding 80 V, nes	15.96	15.61	2663	912.24
120740	Sesamum seeds, whether or not broken	1.99	1.76	3325	758.08

Nepal					
(with Bangladesh)					
Product Code	Product Description	Nepal's Import Price	Bangladesh's Export Price	Bangladesh's Potential to Export Quantity	Consumer Gains
252329	Portland cement nes	0.08	0.08	1,64,737	158.49
200990	Mixtures of juices unfermentd¬ spiritd whether o not sugard o sweet	0.61	0.49	5,922	736.67
850710	Lead-acid electric accumulators of a kind usd f startg piston engines	3.12	2.63	6,383	3,127.04
210690	Food preparations nes	3.02	0.92	4,428	9,330.71
521142	Denim fabrics of cotton, <85% mixed with m-m fib, more than 200 g/m2	8.50	6.39	28	59.05
640411	Sports footwear w outer soles of rubber o plastics&uppers of tex mat	34.04	25.04	23	207.06
621040	Mens/boys garments nes, made up of impreg, ctd, cov, etc, textile woven fab	45.04	30.00	57	856.97
621143	Womens/girls garments nes, of man-made fibres, not knitted	40.15	22.71	190	3,313.58
620413	Womens/girls suits, of synthetic fibres, not knitted	46.04	23.28	55	1,251.69
621050	Womens/girls garments nes, of impregnatd, ctd, cov, etc, textile woven fab	45.00	18.30	59	1,575.08

(with India)					
Product Code	Product Description	Nepal's Import Price	India's Export Price	India's Potential to Export Quantity	Consumer Gains
252310	Cement clinkers	0.07	0.04	2,44,042	6,181.51
190531	Sweet biscuits	1.39	1.21	6,714	1,218.98
730890	Structures&parts of structures,i/s (ex prefab bldgs of headg no.9406)	1.97	1.74	5,426	1,203.28
392020	Film and sheet etc, non-cellular etc, of polymers of propylene	2.66	2.35	2,087	632.62
721070	Flat rolled prod,i/nas,painted,varnished or plast coated,>/=600mm wide	3.32	0.95	1,334	3,165.52
870323	Automobiles w reciprocating piston engine displacg > 1500 cc to 3000 cc	12.19	10.97	1,318	1,609.67
870421	Diesel powered trucks with a GVW not exceeding five tonnes	9.57	8.88	795	546.71
392410	Tableware and kitchenware of plastics	5.57	3.08	128	318.33
854460	Electric conductors, for a voltage exceeding 1,000 V, nes	9.11	5.21	100	390.08
850440	Static converters, nes	49.75	45.95	79	299.83
730820	Towers and lattice masts, iron or steel	1.84	1.70	76	10.81
540710	Woven fab of high tenacity fi yarns of nylon oth polyamides/polyesters	12.82	11.14	58	97.27
611120	Babies garments and clothing accessories of cotton, knitted	32.50	12.94	5	97.81
(with Pakistan)					
Product Code	Product Description	Nepal's Import Price	Pakistan's Export Price	Pakistan's Potential to Export Quantity	Consumer Gains
610590	Mens/boys shirts, of other textile materials, knitted	60.40	0.00	5	301.98
610339	Mens/boys jackets and blazers, of other textile materials, knitted	42.88	0.01	26	1,114.84
271019	Other petroleum oils and preparations	43.31	0.93	20,071	8,50,609.59
610439	Womens/girls jackets, of other textile materials, knitted	64.67	51.85	3	38.45
870899	Motor vehicle parts nes	12.92	3.96	1,553	13,916.38
611710	Shawls, scarves, veils and the like, of textile materials, knitted	38.31	34.30	16	64.27
700529	Float glass etc in sheets, non-wired nes	3.76	0.53	2,342	7,577.75

611530	Women's full-length or knee-length hosiery, knitted or crocheted, mea	31.26	29.35	31	59.18
730890	Structures&parts of structures,i/s (ex prefab bldgs of headg no.9406)	1.97	0.58	7,780	10,755.68
611120	Babies garments and clothing accessories of cotton, knitted	32.50	31.23	6	7.59
210690	Food preparations nes	3.02	2.08	9,576	9,063.47
170410	Chewing gum containing sugar, except medicinal	2.70	2.10	1,693	1,016.00
850710	Lead-acid electric accumulators of a kind usd f startg piston engines	3.12	2.59	6,383	3,352.77
841810	Combined refrigerator-freezers, fitted with separate external doors	5.11	4.63	809	387.83
392020	Film and sheet etc, non-cellular etc, of polymers of propylene	2.66	2.25	3,541	1,441.49
251512	Marble & travertine,merely cut,by sawing or otherwise into blocks etc	0.42	0.12	25,828	7,809.67
252329	Portland cement nes	0.08	0.06	3,42,642	7,139.07
220710	Undenaturd ethyl alcohol of an alcohol strgth by vol of 80% vol/higher	1.13	1.12	4,586	56.07
(with Sri Lanka)					
Product Code	Product Description	Nepal's Import Price	Sri Lanka's Export Price	Sri Lanka's Potential to Export Quantity	Consumer Gains
180690	Chocolate and other food preparations containing cocoa nes	5.25	4.26	1,442	1,424.86
220290	Non-alcoholic beverages nes,excludg fruit/veg juices of headg No 20.09	1.00	0.71	9,027	2,574.65
271019	Other petroleum oils and preparations	43.31	0.72	20,071	8,54,855.73
401110	Pneumatic tire new of rubber f motor car incl station wagons&racg cars	6.03	5.63	1,220	492.58
401120	Pneumatic tires new of rubber for buses or lorries	5.35	0.08	3,011	15,886.19
600690	Fabrics, knitted or crocheted, of a width of > 30 cm (excl. of artific	6.42	3.39	113	342.76
610339	Mens/boys jackets and blazers, of other textile materials, knitted	42.88	0.01	26	1,114.70
610439	Womens/girls jackets, of other textile materials, knitted	64.67	51.84	3	38.47
610590	Mens/boys shirts, of other textile materials, knitted	60.40	0.01	5	301.96
611120	Babies garments and clothing accessories of cotton, knitted	32.50	17.74	6	88.53
611599	Hosiery nes, of other textile materials, knitted	20.30	15.73	126	575.40
620711	Mens/boys underpants and briefs, of cotton, not knitted	26.11	25.83	66	17.92
621210	Brassieres and parts thereof, of textile materials	68.39	54.10	23	328.65

850440	Static converters, nes	49.75	45.96	115	435.87
870421	Diesel powered trucks with a GVW not exceeding five tonnes	9.57	8.89	644	439.27

Pakistan					
(with Bangladesh)					
Product Code	Product Description	Pakistan's Import Price	Bangladesh's Export Price	Bangladesh's Potential to Export Quantity	Consumer Gains
540769	Woven fabric >85% polyester filaments, nes	9.44	9.35	48	4.33
090421	Fruits of the genus Capsicum or of the genus Pimenta : Dried, neither crushed nor ground	1.00	0.90	501	49.06
090240	Black tea (fermented) & partly fermented tea in packages exceedg 3 kg	2.16	1.29	1,968	1,717.14
390760	Polyethylene terephthalate	1.63	0.68	1,667	1,576.97
340111	Toilet soap&prep,shaped;papers&nonwovens impreg with soap toilet use	3.10	1.96	702	797.25
540751	Woven fabrics,>=85% of textured polyester filaments, unbl or bl, nes	7.42	5.63	171	305.46
540752	Woven fabrics,>=85% of textured polyester filaments, dyed, nes	10.95	7.93	505	1,523.24
690890	Tiles, cubes and sim nes, glazed ceramics	3.28	0.21	2,485	7,630.42
732690	Articles, iron or steel, nes	4.33	0.55	3,564	13,480.69
600192	Pile knitted or crocheted fabrics, of man-made fibres, nes	8.74	4.89	556	2,137.88
401699	Articles of vulcanised rubber nes, other than hard rubber	10.84	6.26	200	916.37
540761	Woven fabric >85% non-textured polyester filaments	13.51	7.36	58	356.60
600634	Printed fabrics, knitted or crocheted, of synthetic fibres, of a width	10.95	1.95	83	746.80
840999	Parts for diesel and semi-diesel engines	15.25	4.33	218	2,381.06
611190	Babies garments&clothg accessories of other textile materials,knitted	44.11	19.75	106	2,582.14
401693	Gaskets, washers and other seals of vulcanised rubber	31.08	2.41	170	4,873.97
611490	Garments nes, of other textile materials, knitted	61.50	17.86	8	349.11
853710	Boards,panels,includg numerical control panels,for a voltage <=1000 V	98.05	50.00	20	961.07
620341	Mens/boys trousers and shorts,of wool or fine animal hair,not knitted	77.75	28.51	4	196.97

620419	Womens/girls suits, of other textile materials, not knitted	86.00	18.36	1	67.64
(with India)					
Product Code	Product Description	Pakistan's Import Price	India's Export Price	India's Potential to Export Quantity	Consumer Gains
390760	Polyethylene terephthalate	1.63	1.26	28,115	10,228.79
870321	Automobiles w reciprocating piston engine displacement not more than 1000 cc	10.53	9.59	26,892	25,266.75
870322	Automobiles w reciprocating piston engine displacement > 1000 cc to 1500 cc	10.05	9.16	21,147	18,677.60
690890	Tiles, cubes and similar, glazed ceramics	3.28	0.50	17,223	47,763.19
870323	Automobiles w reciprocating piston engine displacement > 1500 cc to 3000 cc	12.19	10.97	13,291	16,249.15
170199	Refined cane or beet sugar, solid, without flavouring or colouring matter	0.63	0.46	11,265	1,888.54
300490	Medicaments, in dosage	32.38	29.04	7,909	26,443.60
732690	Articles, iron or steel, nes	4.33	3.65	7,684	5,239.12
320416	Reactive dyes and preparations based thereon	6.08	5.57	7,506	3,887.54
870421	Diesel powered trucks with a GVW not exceeding five tonnes	9.57	8.88	6,626	4,560.49
870422	Diesel powered trucks with a GVW exc five tonnes but not exc twenty tonnes	5.93	5.65	6,144	1,716.96
840999	Parts for diesel and semi-diesel engines	15.25	8.46	5,277	35,846.05
870899	Motor vehicle parts, nes	11.42	5.71	3,938	22,511.90
392020	Film and sheet etc, non-cellular etc, of polymers of propylene	3.55	2.35	3,821	4,578.15
840991	Parts for spark-ignition type engines, nes	17.02	8.88	3,347	27,240.23
870190	Wheeled tractors, nes	9.49	8.84	2,433	1,594.41
848180	Taps, cocks, valves and similar appliances, nes	28.19	13.03	2,425	36,777.56
401161	Pneumatic tyres, new, of rubber, having a "herring-bone" or similar tread	5.25	4.89	1,919	678.99
850300	Parts of electric motors, generators, generating sets & rotary converters	24.80	6.13	1,839	34,319.27
401699	Articles of vulcanised rubber, nes, other than hard rubber	10.84	5.43	1,705	9,221.92
853890	Parts for use with the apparatus of heading no. 85.35, 85.36 or 85.37, nes	20.05	15.15	1,221	5,972.42
841490	Parts of vacuum pumps, compressors, fans, blowers, hoods	42.84	12.35	681	20,766.82
840890	Engines, diesel, nes	16.91	16.79	661	82.82

853710	Boards,panels,includg numerical control panels,for a voltage <=1000 V	98.05	21.38	532	40,791.76
853690	Electrical app for switchg/protec elec circuits,not exced 1,000 V,nes	38.23	18.56	334	6,572.07
294190	Antibiotics nes, in bulk	191.11	116.37	277	20,703.97
900110	Optical fibs,optical fib bundles&cables,oth than those of headg 85.44	39.86	12.29	84	2,316.00
611490	Garments nes, of other textile materials, knitted	61.50	10.66	8	406.73
170114	Raw cane sugar, not containing added flavouring or colouring matter (excl. 1701 13)	0.50	0.45	2	0.11
(with Nepal)					
Product Code	Product Description	Pakistan's Import Price	Nepal's Export Price	Nepal's Potential to Export Quantity	Consumer Gains
140490	Vegetable products nes	0.63	0.45	17,347	3,037.07
150710	Soya-bean oil crude, whether or not degummed	0.95	0.85	167	16.96
230990	Animal feed preparations nes	3.78	1.97	2,072	3,763.80
300490	Medicaments nes, in dosage	32.38	5.75	8	213.06
340111	Toilet soap&prep,shaped;papers&nonwovens impreg with soap toilet use	3.10	2.22	18	15.72
340120	Soap nes	2.77	2.38	8	3.18
380610	Rosin	2.28	1.96	4,810	1,537.60
391910	Self-adhesive plates,sheets,film etc,of plastic in rolls <20 cm wide	2.90	2.63	8	2.18
391990	Self-adhesive plates, sheets, film etc, of plastic nes	3.32	2.38	82	77.28
392010	Film and sheet etc, non-cellular etc, of polymers ofethylene	3.18	1.85	353	470.23
392190	Film and sheet etc, nes of plastics	2.60	2.13	343	159.95
392350	Stoppers, lids, caps and other closures of plastics	4.37	3.80	958	551.84
470790	Waste&scrap of paper or paperboard,nes (includg unsorted waste&scrap)	0.17	0.10	17,002	1,317.08
481092	Multi-ply paper and paperboard, coated on one or both sides with kaoli	1.03	0.05	345	338.59
611710	Shawls, scarves, veils and the like, of textile materials, knitted	38.87	35.56	9	29.80
620339	Mens/boys jackets and blazers, of other textile materials, not knitted	73.81	63.00	1	10.81
620449	Womens/girls dresses, of other textile materials, not knitted	0.02	0.00	8,814	132.47
690890	Tiles, cubes and sim nes, glazed ceramics	3.28	0.51	83	229.96

720927	Cold roll iron/steel, not coil>600mm x 0.5-1mm	1.17	0.61	44	24.35
761490	Strandd wire,cables,plaitd bands&the like or alum,not elect insul,nes	5.49	2.29	82	261.96
870323	Automobiles w reciprocating piston engine displacg > 1500 cc to 3000 cc	12.19	9.67	3	7.57
940350	Bedroom furniture, wooden, nes	12.36	3.00	5	46.80
(with Sri Lanka)					
Product Code	Product Description	Pakistan's Import Price	Sri Lanka's Export Price	Sri Lanka's Potential to Export Quantity	Consumer Gains
300490	Medicaments nes, in dosage	32.38	16.14	297	4,824.43
611130	Babies garments and clothing accessories of synthetic fibres, knitted	27.20	16.22	10	109.79
611190	Babies garments&clothg accessories of other textile materials,knitted	44.11	20.62	106	2,490.69
611510	Graduated compression hosiery [e.g., stockings for varicose veins], of	59.13	12.12	30	1,410.39
620341	Mens/boys trousers and shorts,of wool or fine animal hair,not knitted	77.75	72.33	4	21.67
620419	Womens/girls suits, of other textile materials, not knitted	86.00	0.01	1	85.99
620449	Womens/girls dresses, of other textile materials, not knitted	0.02	0.01	43,835	504.94
620990	Babies garments&clothg accessories of oth textile materials,not knitted	34.72	31.40	134	443.94
690890	Tiles, cubes and sim nes, glazed ceramics	3.28	0.50	13,094	36,312.75
732690	Articles, iron or steel, nes	4.33	1.80	2,090	5,288.96
850300	Parts of electric motors,generators,generatg sets & rotary converters	24.80	19.49	92	488.02
851761	Base stations of apparatus for the transmission or reception of voice,	142.79	133.44	25	233.67
853690	Electrical app for switchg/protec elec circuits,not exceed 1,000 V,nes	38.23	22.37	65	1,031.18
853710	Boards,panels,includg numerical control panels,for a voltage <=1000 V	98.05	96.13	258	495.46
854449	Electric conductors, for a voltage not exceeding 80 V, nes	9.81	5.18	2,643	12,245.83
870421	Diesel powered trucks with a GVW not exceeding five tonnes	9.57	8.89	644	439.65
940350	Bedroom furniture, wooden, nes	12.36	2.67	217	2,102.01

Sri Lanka					
(with Bangladesh)					
Product Code	Product Description	Sri Lanka's Import Price	Bangladesh's Export Price	Bangladesh's Potential to Export Quantity	Consumer Gains
030559	Fish nes, dried, whether or not salted but not smoked	4,249.44	7.72	16	67,867.54
080280	Areca nuts	0.33	0.03	118220	35,877.32
081090	Fruits, fresh nes	0.61	0.02	1103	651.17
090220	Green tea (not fermented) in packages exceeding 3 kg	5.68	3.02	266	705.60
090421	Fruits of the genus Capsicum or of the genus Pimenta : Dried, neither crushed nor ground	16.70	0.23	1968	32,404.76
100630	Rice, semi-milled or wholly milled, whether or not polished or glazed	119.94	2.17	2061	2,42,713.24
170199	Refined cane or beet sugar, solid, without flavouring or colouring matter	72.46	5.57	886	59,266.58
190410	Prep foods obtaind by the swellg o roastg of cereal o cereal products	2.88	2.27	703	429.94
200520	Potatoes preparad or preserved,o/t by vinegar or acetic acid,not frozen	0.38	0.12	1331	357.57
210690	Food preparations nes	439.71	7.05	84	36,344.06
240319	Other smoking tobacco, whether or not containing tobacco substitutes in any proportion	1.27	0.30	2222	2,155.15
271012	Light petroleum oils and preparations	652.67	42.92	292	1,78,047.50
392329	Sacks and bags (including cones) of plastics nes	3.26	0.41	2365	6,740.35
400121	Natural rubber in smoked sheets	33.96	4.41	1316	38,884.47
401693	Gaskets, washers and other seals of vulcanised rubber	0.37	0.13	3184	779.58
401699	Articles of vulcanised rubber nes, other than hard rubber	18.14	7.36	170	1,831.91
482110	Paper labels of all kinds, printed	15.77	6.68	200	1,819.68
482390	Paper and paper articles, nes	22.07	11.51	53	559.93
640351	Footwear, outer soles and uppers of leather, covering the ankle, nes	5.06	0.16	404	1,977.72
690890	Tiles, cubes and sim nes, glazed ceramics	83.35	7.64	67	5,072.15
731815	Bolts o screws nes,with o without their nuts o washers,iron o steel	6.40	3.19	115	369.42
853710	Boards,panels,includg numerical control panels,for a voltage <=1000 V	2.84	0.15	5491	14,783.26
940360	Furniture, wooden, nes	5.13	0.48	550	2,557.37

(with India)					
Product Code	Product Description	Sri Lanka's Import Price	India's Export Price	India's Potential to Export Quantity	Consumer Gains
100199	Wheat and meslin (excl. seed for sowing, and durum wheat)	0.31	0.28	1033687	35,410.73
271012	Light petroleum oils and preparations	0.97	0.96	425199	4,611.28
170199	Refined cane or beet sugar, solid, without flavouring or colouring matter	0.49	0.46	324167	8,792.14
870322	Automobiles w reciprocating piston engine displacement > 1000 cc to 1500 cc	10.05	9.16	42656	37,682.06
721049	Flat rolled product, in/nas, plated or coated with zinc, >=600mm wide, nes	0.88	0.78	14137	1,356.77
070310	Onions and shallots, fresh or chilled	0.29	0.25	12078	429.83
870323	Automobiles w reciprocating piston engine displacement > 1500 cc to 3000 cc	12.19	10.97	11678	14,274.86
100640	Rice, broken	0.43	0.30	8355	1,072.89
040210	Milk powder not exceeding 1.5% fat	4.43	3.59	7073	5,972.08
870421	Diesel powered trucks with a GVW not exceeding five tonnes	9.57	8.88	6050	4,167.37
392020	Film and sheet etc, non-cellular etc, of polymers of propylene	3.17	2.35	5994	4,910.85
170114	Raw cane sugar, not containing added flavouring or colouring matter (excl. 1701 13)	0.48	0.45	5186	158.95
210690	Food preparations nes	7.99	3.30	4179	19,622.55
080610	Grapes, fresh	2.22	1.64	2726	1,598.84
392321	Sacks and bags (including cones) of polymers of ethylene	3.84	2.64	2223	2,672.13
401699	Articles of vulcanised rubber nes, other than hard rubber	6.08	5.43	1354	879.28
392329	Sacks and bags (including cones) of plastics nes	5.86	2.03	1144	4,375.56
761699	Articles of aluminium, nes	7.03	6.40	493	312.63
730820	Towers and lattice masts, iron or steel	2.01	1.70	437	136.83
853710	Boards, panels, including numerical control panels, for a voltage <=1000 V	27.16	21.38	390	2,255.98
020230	Bovine cuts boneless, frozen	6.64	3.21	28	96.05

(with Nepal)					
Product Code	Product Description	Sri Lanka's Import Price	Nepal's Export Price	Nepal's Potential to Export Quantity	Consumer Gains
482110	Paper labels of all kinds, printed	29.59	0.05	814	24,048.93
140490	Vegetable products nes	2.63	0.45	3140	6,834.99
210690	Food preparations nes	7.99	1.21	760	5,159.05
560790	Twine, cordage, ropes and cables, of other materials	7.67	1.03	404	2,682.75
091011	Ginger : Neither crushed nor ground	2.55	0.18	687	1,625.24
220290	Non-alcoholic beverages nes,excludg fruit/veg juices of headg No 20.09	1.48	0.68	1644	1,308.28
200911	Orange juice,unfermentd¬ spiritd,whether not sugard sweet,frozen	1.92	0.75	864	1,007.27
090611	Cinnamon Cinnamomum eylanicum Blume (excl. crushed and ground)	11.45	0.72	89	955.30
392350	Stoppers, lids, caps and other closures of plastics	4.47	3.80	958	647.66
392310	Boxes, cases, crates & similar articles of plastic	3.25	1.62	306	498.10
392010	Film and sheet etc, non-cellular etc, of polymers ofethylene	3.07	1.85	353	432.22
070190	Potatoes, fresh or chilled nes	0.30	0.15	2525	387.18
730890	Structures&parts of structures,i/s (ex prefab bldgs of headg no.9406)	1.58	0.64	276	259.92
392190	Film and sheet etc, nes of plastics	2.83	2.13	343	239.74
730810	Bridges and bridge sections, iron or steel	6.67	1.28	36	193.99
091099	Spices nes	0.79	0.64	1301	193.31
020230	Bovine cuts boneless, frozen	6.64	1.20	28	152.47
090220	Green tea (not fermented) in packages exceeding 3 kg	2.77	1.64	47	53.10
190190	Malt extract&food prep of Ch 19 <50% cocoa&hd 0401 to 0404 < 10% cocoa	1.70	1.26	61	26.42
020130	Bovine cuts boneless, fresh or chilled	4.29	0.69	7	25.19
090411	Pepper of the genus Piper,ex cubeb pepper,neither crushd nor ground	8.61	5.80	5	14.06
392321	Sacks and bags (including cones) of polymers of ethylene	3.84	3.57	35	9.54
870323	Automobiles w reciprocating piston engine displacg > 1500 cc to 3000 cc	12.19	9.67	3	7.57
100630	Rice, semi-milled or wholly milled, whether or not polished or glazed	0.47	0.43	53	2.01

(with Pakistan)					
Product Code	Product Description	Sri Lanka's Import Price	Pakistan's Export Price	Pakistan's Potential to Export Quantity	Consumer Gains
240110	Tobacco, unmanufactured, not stemmed or stripped	28.90	3.52	2222	56,399.19
210690	Food preparations nes	7.99	2.08	4605	27,256.95
730890	Structures&parts of structures,i/s (ex prefab bldgs of headg no.9406)	1.58	0.58	18973	18,881.37
170199	Refined cane or beet sugar, solid, without flavouring or colouring matter	0.49	0.45	466333	17,701.39
070310	Onions and shallots, fresh or chilled	0.29	0.20	102720	8,954.81
320890	Paints & varni based on polymers dissolv in a non aqueous solv nes	4.78	2.34	2088	5,089.75
392020	Film and sheet etc, non-cellular etc, of polymers of propylene	3.17	2.25	4484	4,139.88
392321	Sacks and bags (including cones) of polymers of ethylene	3.84	2.31	2363	3,613.94
140490	Vegetable products nes	2.63	1.48	3135	3,604.55
850710	Lead-acid electric accumulators of a kind usd f startg piston engines	3.12	2.59	5491	2,884.30
151620	Veg fats & oils&fractions hydrogenatd,inter/re-esterifid,etc,ref'd/not	1.53	1.08	5087	2,325.76
040221	Milk and cream powder unsweetened exceeding 1.5% fat	4.90	3.91	1679	1,653.25
040210	Milk powder not exceeding 1.5% fat	4.43	3.42	1465	1,474.81
721049	Flat rolled prod,i/nas,plated or coated with zinc,>/=600mm wide, nes	0.88	0.77	10433	1,078.94
300590	Dressings&similar articles,impreg or coatd or packagd for md use,nes	9.21	3.01	162	1,004.75
380891	Insecticides	8.95	7.55	688	962.86
870899	Motor vehicle parts nes	4.25	3.96	1980	588.22
691090	Ceramic sinks, wash basins etc & similar sanitary fixtures nes	2.20	2.05	1906	292.38
040110	Milk not concentrated and unsweetened not exceeding 1% fat	6.54	1.27	54	284.58
100640	Rice, broken	0.43	0.42	18483	243.40
200520	Potatoes preparad or preserved,o/t by vinegar or acetic acid,not frozen	6.08	3.29	84	234.37
020230	Bovine cuts boneless, frozen	6.64	3.18	28	97.08
220710	Undenaturd ethyl alcohol of an alcohol strgth by vol of 80% vol/higher	1.13	1.12	5072	61.25
030439	Fresh, chilled fillets of carp, eels and snakeheads	5.50	1.96	16	56.60

200911	Orange juice,unfermentd¬ spiritd,whether not sugard sweet,frozen	1.92	1.89	695	21.91
040390	Buttermilk,curdled milk & cream,kephir & ferm or acid milk & cream nes	2.36	2.11	25	6.26
020130	Bovine cuts boneless, fresh or chilled	4.29	3.97	7	2.19
040120	Milk not concentrated & unsweetened exceeding 1% not exceeding 6% fat	1.10	1.07	26	0.72