

## Year's Nathu La trade concludes with Rs.9.6mn turnover

Trade between India and China through the fabled Silk Road closed over the weekend for the year 2008 with business worth Rs.9.6 million (approx \$192,000) done since May, officials Monday said.

'Since trade reopened May 19, the two countries did business worth about Rs.9.6 million. Indian traders did the bulk of the business estimated at about Rs.9.5 million, while Chinese traders just managed to do business worth Rs.135,000,' an official of the Sikkim industry and commerce department said.

The two Asian giants in July 2006 reopened trade across the 15,000 feet Nathu La Pass, 52 km east of Sikkim's capital Gangtok, as part of a broader rapprochement.

The move marked the first direct trade link between the nuclear-armed neighbours since a bitter border war in 1962.

'Formal trade for the current year ended Thursday,' the official said.

Trade would resume from May 1, 2009.

Under an agreement reached between the two countries, trade takes place four days a week - Monday to Thursday - beginning May each year and lasting until Nov 30 when snow makes the area impassable.

The sluggish border trade between the two countries is due to restrictions in tradable items - India can import 15 items from China including silk, yak pelts and horses, and export 29 goods that include textiles, tea, rice, vegetables and herbs.

Bilateral trade in 2006 through Nathu La saw business worth about Rs.2 million with Indian traders doing business worth about Rs.1.1 million. Last year, the volume of trade was to the tune of Rs 2.6 million.

'Business this year was comparatively good although we need to work out measures to boost the volume of trade by reviewing the list of tradable items on both sides,' the official said.

Although two-way trade was slow in the first three seasons, about 1,900 Chinese traders crossed the border separated by a rusty barbed wire marker to the bazaar of Sherathang, five kilometres below the pass on the Indian side.

About 1,200 Indian traders headed to the Renqinggang interim market in Tibet on the Chinese side, 16 km from the border, during the first three seasons. Businesspersons from both sides of the border were also seeking a broadening of the list of items traded through the Nathu-La pass.

'The list of tradable items should be increased and include commodities like locally made beer, medicines, jam, processed food products, floriculture and horticultural products so that business grows,' said S.K. Sarda, president of the Sikkim Chamber of Commerce.

'The Chinese traders have been selling just yak pelts and sheep wool. It is imperative that the two

countries decide to review the present export-import list.'

Beijing had in 2003 given up its territorial claim over the Indian state of Sikkim but was still holding on to its age old stand that a vast stretch of Arunachal Pradesh belongs to them.

China has never recognised the 1914 boundary, known as the McMahon Line, and claims 90,000 sq km -- nearly all of Arunachal Pradesh in India's northeast. India also accuses China of occupying 38,000 sq km in Kashmir.

*Syed Zarir Hussain* ( © IANS / India eNews)