

Bill provides for a Presidential determination that 'India is working actively with the United States for the early conclusion of a multilateral Fissile Material Cutoff Treaty.' This determination would allow the US President to waive the application of certain provisions of the 1954 US Atomic Energy Act that currently prohibits civilian nuclear cooperation with India.

(b) In the 18 July, 2005 Joint Statement, India agreed to work with the United States for the conclusion of a multilateral Fissile Material Cut-off Treaty. The question of the proposed US legislation forcing India to comply with FMCT, therefore, does not arise. Moreover, India cannot take a position on signing or not signing a treaty whose text does not exist.

Nuclear Cooperation Promotion Act

308. SHRI MOINUL HASSAN: Will the PRIME MINISTER be pleased to state:

(a) whether the draft Bill on the US and India Nuclear Cooperation Promotion Act of 2006 makes a specific reference to securing India's "full and active participation" in the US efforts to "dissuade, isolate and if necessary sanction and contain Iran" for seeking nuclear weapons; and

(b) if so, the reaction of Government on the US arm twisting India to change its foreign policy to kow-tow the US strategic global designs?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI ANAND SHARMA): (a) A Bill titled the 'United States and India Nuclear Cooperation Promotion Act of 2006' has been introduced in the US House of Representatives. Section 3(b)(4) of this Act states 'Secure India's full and active participation in United States efforts to dissuade, isolate, and, if necessary, sanction and contain Iran for its efforts to acquire weapons of mass destruction, including a nuclear weapons capability (including the capability to enrich or process nuclear materials), and the means to deliver weapons of mass destruction'. The salient feature of the proposed Act is that it gives the US President the authority to waive the application of certain provisions of the 1954 US Atomic Energy Act that currently prohibits civilian nuclear cooperation with India.

(b) The Bill contains sections that refer to issues extraneous to the 18 July, 2005 Joint Statement and India's Separation Plan. It is the

Government's position that the guiding principle for the resumption of civilian nuclear energy cooperation with the United States must remain the framework of the 18 July Joint Statement and India's Separation Plan. This position has been clearly communicated to the US Administration including by the Prime Minister to the US President. The language of the proposed Act is still under discussion in the US Congress and the Government would continue to engage the US Administration on this matter.

Economic package to Nepal

309. SHRIMATI SHOBHANA BHARTIA: Will the PRIME MINISTER be pleased to state:

(a) whether India's promised economic package to Nepal would take sometime as it is waiting for its neighbour to supply details on the kind of help required;

(b) if so, whether after restoration of democracy in Nepal it is necessary to provide help and assistance which was stopped due to unrest in Nepal;

(c) if so, what type of help/assistance Nepal asked for; and

(d) by what time Government would be able to provide assistance?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI E. AHAMMED): (a) to (d) The restoration of democracy in Nepal has provided a historic opportunity for a qualitative enhancement of our bilateral relations with Nepal. During the visit of His Excellency G.P. Koirala, Prime Minister of Nepal to India from June 6—9, 2006, our Prime Minister conveyed India's readiness to render all possible assistance to Nepal for accelerating economic rehabilitation and development, in accordance with the priorities and wishes of the Government of Nepal. Government of India, *inter alia*, expressed its willingness to extend immediately a one-time grant of Rs. 100 crores to the budget of Government of Nepal; offered a soft credit line of US \$ 100 million for the execution of infrastructure development projects; enhanced its 'Aid to Nepal' budget for the current financial year from 65 crore to Rs. 150 crore; and waived the dues outstanding as on June 9, 2006 owed by the Government of Nepal to the Government of India on account of defence purchases.