

Inaugural Address by Hon'ble Shri S.M. Krishna, Minister for External Affairs at the Second India-Africa Hydrocarbon Conference on 7 December 2009

Honourable Minister

H.E. Dr. Emmanuel Egbogah, Presidential Adviser on Energy Matters, Federal Republic of Nigeria
Honourable Ministers and Delegates from Africa
Minister of Petroleum and Natural Gas, Shri Murli Deora
Minister of State for Petroleum and Natural Gas, Shri Jitin Prasada
Mr. Vivek Katju, Secretary (West), Ministry of External Affairs President, FICCI, Shri Harsh Pati Singhania
Secretary General, FICCI, Dr Amit Mitra,
Shri S. Sundareshan and Shri Sunil Jain of the Ministry of Petroleum and Natural Gas
Delegates from India,
Excellencies, Distinguished Guests, Media representatives,
Ladies and Gentlemen:

It is always a pleasure to be amongst friends from Africa. Ladies and Gentlemen, it is with pride that I say that our relations with Africa are sourced in history and that we are neighbours across the Indian Ocean. India acknowledges the role played by Africa in shaping the early outlook of a young Indian lawyer, Mohandas Karamchand Gandhi, who became the father of our nation. The solidarity we shared during the period of colonialism and the dark phase of racism is legendary. There is a strong emotive connect between us. I am here reminded of what Pandit Jawaharlal Nehru, our first Prime Minister, said at the Asian-Africa Conference at Bandung, Indonesia in 1954:

I quote "We have met here because of an irrepressible urge amongst the people of Asia and Africa. We have met because mighty forces are at work in these great continents, moving millions of people, creating in their minds urges and passions and desires for a change in their condition... We are determined not to fail. We are determined, in this new phase of Asia and Africa, to make good",
Unquote

Friends, India continues to be inspired by the same irrepressible urge to make good with Africa and its peoples. Our common legacy nurtures a close alignment on major international issues and an abundance of socio-political goodwill gives our bilateral relations a strong foundation. The future beckons that we build on this solid foundation of goodwill and friendship, a superstructure of mutually beneficial economic and commercial cooperation.

To this effect, last year, you will recollect, we successfully hosted the India-Africa Forum Summit in New Delhi. The Delhi Declaration and the Africa-India Framework for Cooperation adopted at that Summit highlighted our shared political vision and worldview and signaled with full intent, a determination to build a new partnership, with Africa in the 21st century. The Prime Minister of India had then announced US\$ 5.4 billion in loans for the development of Africa, supported by US\$ 500 million in grants for capacity building processes, doubling of scholarships, increasing capacity building positions under our International Technical and Economic Programme and a Duty-Free Tariff Preferences Scheme. We are happy that many of these are already under successful implementation. I am also pleased to note that after two major business events earlier in the year, this Conference is the third event with African countries hosted in New Delhi in 2009.

Friends, we meet at a very crucial time. The global economy is yet to fully emerge from its biggest crisis which also caused considerable collateral damage to the global energy and food security. Emerging and developing countries were not the cause, but we were condemned to reap the repercussions of these crisis.

We in India are now past the worst of this global downturn. The fundamentals of the Indian economy are strong and our economic prospects are durable. Our growth is closing in on 7% and we are confident that before long our economy would scale the 9% growth achieved before the economic downturn.

Even as we meet here, the Conference of Parties to the UN Convention against Climate Change is kicking off in Copenhagen, an event which could influence global energy production and consumption patterns. We remain hopeful of success at Copenhagen in achieving an outcome, containing substantive and enforceable commitments which are equitable and supportive of economic growth, especially in developing countries, India has conceived its response to Climate Change, as part of a broader strategy for ensuring sustainable development. Our objective is to bring about changes in the kinds of energy we produce and consume, while remaining mindful of our resources constraints, environmental concerns and imperatives of economic development.

Friends, global energy trends are already suggesting that the demand for oil has peaked in the developed world. The new global claimants for oil are now located in Asia, including India, where a rapidly growing economy is driving our demand for energy. India would need to depend upon 90% oil and 60% gas imports by 2030-31. Presently, about 15 percent of India's crude oil imports came from Africa, but we can do with more.

Apart from being an obvious long-term market for African hydrocarbons, India is also globally recognized as a hub for business opportunities spread across the entire hydrocarbon production cycle. India is a oil refining centre, exporter of petroleum products and home to competitive hydrocarbon multinationals, which have made their presence felt all over the world, including in Africa. As the fastest growing democracy we offer a complementary and mutually advantageous hand of partnership to our friends in Africa's hydrocarbon sector.

Ladies and Gentlemen, the spread of global hydrocarbon reserves is uneven. Most countries of the world are hydrocarbon deficit, including many in Africa. From the 20th century crude oil was increasingly seen as a strategic commodity and this vitiated international relations. The choice is in our hands and here I leave a thought with you. Do we continue to treat hydrocarbon assets as a zero-sum game or in the true spirit of globalization ensure that they become part of a truly global, integrated, open and competitive energy market for the mutual and long term benefit of producers and consumers?

Friends, this is a rich gathering of government leaders, policy makers, senior executives and energy consultants. I would like to conclude by suggesting that during your interactions you may also address issues like - the volatility in the oil and gas markets; promoting energy trade and investments; the information gap between energy suppliers and consumers, and protecting the transportation and transit of oil and gas.

I congratulate my good friend Shri Murli Deora, the Minister for Petroleum and Natural Gas, his colleagues, our public sector companies and FICCI for organizing this important event. I wish the Second India-Africa Hydrocarbon Conference all success.