

**India & Mauritius to Host First Trade Ministerial Level Economic and Business Conference of IOR-ARC Nations in Port Louis on July 4-5, 2013**  
*FICCI President Naina Lal Kidwai & Vice President Jyotsna Suri in high-powered business team*

**NEW DELHI, July 2, 2013.** India, current Chair of the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC) and Mauritius will be co-hosting a trade ministerial level Economic and Business Conference (EBC) on **‘Deepening Economic Linkages for Balanced, Inclusive and Sustainable Growth’** in Mauritius on July 4-5, 2013. The conference is supported by the **Federation of Indian Chambers of Commerce and Industry (FICCI)**.

The Indian delegation will be led by **Mr. Anand Sharma, India’s Minister for Commerce and Industry**, who will be accompanied by a high-powered business delegation comprising **President of FICCI, Ms. Naina Lal Kidwai** and **Vice President of FICCI, Dr. Jyotsna Suri**.

It is the first of its kind EBC organized in the region with a view to strengthen trade and investment relations among the countries. A strong and cooperative Indian Ocean community is in the interest of all and the key to robust cooperation lies in deepening economic linkages to achieve balanced, inclusive and sustainable growth.

The theme of the conference reflects the mandate of IOR-ARC in a world where countries face numerous shared challenges such as food security, high unemployment, depleting water supply, rising energy consumption and negative impact of climate change. The IOR-ARC draws membership primarily from countries more susceptible to these adversities, and thus there is a need to build cooperation through trade and investment to evolve a balanced model of development.

It is in recognition of this unifying goal, the conference will bring together representatives of both the government and businesses. The Ministerial level delegations from 20-member countries will be accompanied by delegations of policymakers, businesspersons, entrepreneurs and captains of industry who will explore possibilities for expanding cooperation in key economic and business sectors.

The participation of entrepreneurs and businesses from IOR-ARC member states and dialogue partners will provide a platform for expansion of commercial cooperation through interaction among the private sector of the member states. Most importantly, it will offer members of IOR-ARC the opportunity to discuss the issues, challenges and opportunities they face and carve out a strategy to realize the huge potential that member countries offer.

Says Ms. Kidwai, “The IOR countries have the critical mass to lead and influence economic engagement both at the global and regional levels because these nations have a share in global GDP of close to 10 per cent, share in global trade close to 11 per cent, share in global FDI flows nearly 13 per cent and represent 30 per cent of the global population.”

The capacity for growth, development and progress in the region has been evident in the increased economic activities of the IOR countries in recent years, and reflects in their GDP growth as also rise in foreign trade and capital flows. The combined GDP of IOR-ARC member countries in 2012 increased to an estimated US\$ 6.9 trillion from US\$ 5.8 trillion in 2010. By 2016, the combined GDP of IOR-ARC countries is expected to reach over US\$ 9 trillion. The recent performance of the regional economies indicates that they have successfully come out of the global financial crisis. The economies in the region have both traditional and knowledge-based sectors, having the capacity to absorb increasing pressure of the regional demand in most of the sectors.

The IOR-ARC member states also have a sizable contribution in world's total exports and imports and in 2012 they contributed around 11.6 per cent and 12.3 per cent to global exports and imports respectively. The total trade of the IOR-ARC member states has grown from US\$ 1.1 trillion in 2001 to US\$ 4.3 trillion in 2012. In terms of the FDI inflows in 2011, IOR-ARC member states attracted close to US\$ 200 billion. The countries of the IOR, with a population of about 2.5 billion and a repository of natural resources make the region an attractive market and investment destination.

This in turn offers many potential areas of cooperation that the IOR-ARC can leverage on to build a sustainable future. Some of the sectors which can be focused upon are mentioned below:

**Agriculture:** Countries like Malaysia, Thailand and Mozambique where the share of agriculture in GDP has increased with time, hold great promise in terms of building cooperation in sharing technical know-how and expertise in food processing, skill development, technological up-gradation and supply of quality seeds.

**Infrastructure development:** The key challenges faced by many of the low income IOR-ARC economies are poor land and air connectivity, ill-equipped ports, ageing rail networks and inadequate access to all-season roads. This offers immense investment opportunities in terms of development of highways and roadways, airways, railway networks, power systems, ports and harbor infrastructure.

**Information technology:** Countries like India have made remarkable achievements in information technology which is becoming an indispensable tool in promoting e-governance, e-commerce and establishing a knowledge-based economy. The IT companies from the region could explore opportunities in the areas of e-governance, financial services and e-education through investment in subsidiaries or by establishing joint ventures with local partners or working directly with the governments.

**Tourism:** This sector offers great potential for cooperation for both promoting intra-regional tourism as well as for third country tourism. Easing of visa procedures and better connectivity

of the land routes, air links and cruise liners can go a long way in promoting intra-regional tourism in the region.

**Pharmaceuticals and traditional medicines:** Several countries of the IOR have developed highly competitive generic drug industries that are able to provide affordable medicines. Countries with advanced technical know-how in production of low-cost generic drugs could consider joint R&D for formulation of new drugs and sharing of expertise in the development of healthcare services.

In keeping with these interests, the conference will host a series of panel discussions on subjects such as harnessing the potential of the ocean economy in the IOR- ARC region, unlocking the potential of the services sector in the IOR-ARC region (ICT, tourism, financial services) and enhancing trade and investment in the IOR-ARC region.

The focus will also be on business-to-business interactions amongst representatives from sectors such as agriculture and agro-industries, automobile and auto components; banking & finance; consumer goods; education and skill development; energy (conventional and renewable); fisheries and seafood; food processing; healthcare and pharmaceuticals; infrastructure; marine resources and marine industries including marine engineering & equipment; mines & minerals; shipping; telecommunications and information technology; textiles; tourism; services sector and SME sector.

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***\* Ministerial Participation List, Background Note and the list of Indian Participants is available on request.***

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