

Two-day Delhi Dialogue VII gets under way
ASEAN-India agreements on Trade in Services and Investment
to come into force by year end: Sushma Swaraj

Fostering people-to-people linkages is at the heart of India's engagement with ASEAN

NEW DELHI, March 11, 2015. “The year has started with a new development in our relationship with ASEAN. In January this year, we established our independent Mission to ASEAN, which is reflective of our commitment to further intensify our engagement with the ASEAN. We also expect that the ASEAN-India Agreements on Trade in Services and Investment signed last September will enter into force later this year. This will complete our Free Trade Area with ASEAN and bring greater economic integration between our countries,” stated **Ms. Sushma Swaraj, External Affairs Minister of India.**

Inaugurating Delhi Dialogue VII on the theme '**ASEAN-India: Shaping the Post 2015 Agenda**' organized by the Ministry of External Affairs, 'ASEAN India' and FICCI, Ms. Swaraj said, “For ASEAN, the year 2015 is a key milestone in its journey towards establishing a close-knit ASEAN Community. It also coincides with a decade of the East Asia Summit process - an ASEAN-driven, Leaders-led forum, to address strategic, political and economic issues of regional and global import.”

She said, “India-ASEAN trade and investment relations have been growing steadily. ASEAN is India's fourth largest trading partner. Our annual trade stood at over US\$ 76 billion in 2013, having registered an average growth of 22% per annum over the past decade. The defining characteristic of our trade relationship is that it is largely balanced, which reflects the strong complementarities of our export-driven manufacturing industries.”

Ms. Swaraj stated that the new-found salience of India's engagement with its eastern neighbourhood and beyond is evident from the fact that at the 12th India-ASEAN Summit and 9th East Asia Summit in Myanmar in November 2014, India's Prime Minister, Mr. Narendra Modi underscored the Government's resolve to move with a great sense of priority and speed to transform India's hitherto 'Look East Policy' into an 'Act East Policy'.

She said, “We are also looking to expand air connectivity, particularly between our North East and Southeast Asia. We are simultaneously endeavouring to see how we can transform the corridors of connectivity into corridors of economic cooperation. In this context, our Prime Minister announced, at the 12th ASEAN-India Summit, establishing a Special Facility to facilitate project financing and quick implementation of connectivity projects. We are currently working out the modalities of this Special Facility. Our Government has, meanwhile, also announced in the budget speech for this year, an SPV for setting up of manufacturing hubs and capacity building in CLMV countries.”

The Minister said that a host of joint projects for functional cooperation in sectors ranging from agriculture to environment to ICT are under way, utilising the three dedicated Funds that have been set up for ASEAN. “We are about to commence implementation of a space project, which will be the largest project under the ASEAN-India Fund, involving establishment of a Tracking & Data Reception Station and Data Processing Facility at Ho Chi Minh City in Vietnam by ISRO; upgrading of the Biak Station in Indonesia; as well as provision of training for space personnel from all ASEAN countries,” she added.

Ms. Swaraj said, “We are also in the process of establishing Centres of Excellence in Software Development and Training and Centres for English Language Training in CLMV countries under the Initiative for ASEAN Integration - Narrowing

Development Gap. This week, our project team is in Lao PDR and Vietnam, holding discussions with the host government on the establishment of these Centres of Excellence.”

She said that fostering people-to-people linkages remains at the heart of India's engagement with ASEAN. Efforts will continue to build upon the existing programmes for regular exchange of students, journalists, farmers, scholars and academics.

On the occasion, Ms. Swaraj released a book on DD VI proceedings.

Dr. Jyotsna Suri, President, FICCI, said, “The Government has moved quickly to turn India’s ‘Look East Policy’ into an ‘Act East Policy’ and the ASEAN is at the core of the ‘Act East Policy’. This finds reflection in the Indian Budget, where the Government has announced that it will facilitate Indian private sector investment into the CLMV countries -- Cambodia, Laos, Myanmar, Vietnam -- through a project development company.”

She said, “India and ASEAN have a win-win scenario in the making and we need to set the pace for a more robust engagement. There are great opportunities for investment as well as trade expansion and diversification. India and ASEAN have set a trade target of US\$ 100 billion to be achieved by 2015 and US\$ 200 billion by 2020. Let us work towards exceeding those targets.”

Dr. Suri stated that the ASEAN-India Services and Investment Agreement signed last year will open up opportunities for movement of both manpower and investments between India and ASEAN. This will pave the way for a bigger presence of our companies in the region and will allow Indian industry to reap the benefits of the deal.

However, she added, “We also need to improve on connectivity between India and ASEAN and this includes land, air and maritime connectivity. That is the key facilitator for business travel and tourist flow. We share a rich heritage of Buddhist pilgrimage sites which can ensure a tremendous boost to tourism.”

The vote of thanks was delivered by **Brig. Rumel Dahiya (Retd), Deputy Director General, IDSA.**

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