

INDIA-ASEAN BUSINESS FAIR AND BUSINESS CONCLAVE
2nd March 2011, New Delhi

SPECIAL ADDRESS BY Y.B. MINISTER DATO' SERI MUSTAPA MOHAMED

Excellency Shri Anand Sharma, Minister of Commerce and Industry India Excellency
Mr. Pushpanathan Sundram, Deputy Secretary General of ASEAN

Excellencies ASEAN Economic Ministers and Deputy Minister Dr. Amit Mitra,
Secretary General FICCI

Mr. Harsh C Mariwata, President-Elect FICCI

Distinguished Guests

Ladies and Gentlemen

Namaste and Good Morning,

On behalf of my ASEAN colleagues, I would like to thank the organisers for bringing us together in Delhi for the first time. My ASEAN colleagues and I are here to support Minister Anand Sharma in this inaugural India-ASEAN Business Fair and Business Conclave. This event is the brainchild of The Honourable Prime Minister Dr. Manmohan Singh.

This demonstrates Dr. Manmohan Singh's commitment to intensify engagement with ASEAN especially given India's Look East Policy. Indeed, global focus is shifting towards Asia and in particular, India, China and ASEAN.

As we gather here today, we are all glad to witness the fruition of Dr. Manmohan Singh's proposal. We must commend Minister Anand Sharma and his team for taking the lead in organising this event.

This is even more significant as it comes just over a year after the entry into force of the ASEAN-India Trade in Goods Agreement on 1 January 2010.

It is an honour for me to be speaking on behalf of my ASEAN colleagues who decided to give me this task when we met in Vientiane over the weekend. This business fair was one of the main items in our retreat agenda. I am here representing 600 million people in the second most populous country in the world.

Coming in from the airport last night, I was very impressed with the infrastructure developments that I saw. This in a small way reflects the massive transformation in this country in the past two decades.

We are pleased to note that about 270 companies from ASEAN are participating in this Business Fair and Conclave. I am told that business leaders, academicians, policy makers, investors and entrepreneurs across industry segments from India and

ASEAN member states are here. There cannot be any better opportunity than this for networking and business engagements.

Initiatives such as this should be carried out regularly to create a better understanding and awareness of the ASEAN-India FTA and how the business community can benefit from the FTA. It is also a good platform to enhance closer collaboration among the business communities, especially the small and medium enterprises in ASEAN and India.

It is also heartening to note that the ASEAN-India FTA is being implemented smoothly without any problem. The total trade between ASEAN and India in 2008 was about US\$ 50 billion. India's FDI net inflow to ASEAN in 2009 was at almost USD 1 billion.

ASEAN-and India: A Mutual Partnership of Great Potential

Ladies and gentlemen,

As ASEAN works towards the realisation of the ASEAN Economic Community in 2015, we can expect to see more trade and investment opportunities created. This, coupled with India's impressive growth rates, provide the right ingredients for synergistic development of our respective economies.

There is no denying that India and ASEAN complement each other. We both bring to the table convincing economic growth and dynamism. India is forecast to grow between 8.75 % and 9.25 % in the period 2011 to 2012 and ASEAN member states are expected to record GDP growths ranging from 5.2 % to 7.5 %. Our strategic engagement through the ASEAN-India FT A serves to provide a basis for further deepening of our economic relations.

The ASEAN-India Trade in Goods Agreement is only just the beginning. About 10 days ago, Minister Anand Sharma and I signed the Malaysia India Comprehensive Economic Cooperation Agreement, CECA in Kuala Lumpur. India now has bilateral FTAs with Singapore and the Early Harvest Programme with Thailand, and has begun engaging Indonesia. On the deepening of the ASEAN-India FTA, Minister Anand Sharma and I exchanged views on increasing our efforts to bring to conclusion the ASEAN-India services and investments agreements expeditiously. We must work together to complete these agreements so that we have a more inclusive engagement that will benefit our business communities. As the country coordinator for the ASEAN-India FTA, we hope that more progress will be made when the negotiators meet in Brunei later this month.

Yes, there are challenges along the way but they are not insurmountable given the strong political commitment. Only with the completion of these agreements will our engagement be comprehensive and truly beneficial to the business communities.

ASEAN and India: Partners and Friends

Distinguished guests,

The presence of almost all the ASEAN Economic Ministers in New Delhi today demonstrates the high importance we accord to our economic relations with India. However, this relationship is not confined to economic and trade linkages only. Since India became a dialogue partner of ASEAN in 1995, our engagement has expanded to include increased connectivity, specifically in people to people exchanges, education, tourism and culture.

As an example, the third ASEAN-India Summit in Vientiane on the 30th November 2004 witnessed the signing of ASEAN-India Partnership for Peace, Progress and Shared Prosperity. This partnership commits both parties to cooperation that includes the political-security as well as socio-cultural dimensions,

ASEAN and India: The Involvement of the Private Sector

Ladies and gentlemen,

Even before the signing of the ASEAN-India Trade in Goods Agreement, there have been meaningful business linkages among our private sectors. The Indian diaspora has had a long presence in ASEAN. More recently, we have seen Indian Multi-National Companies such as Reliance, Tata and Infosys in our markets. These are some of the leading Indian global brand names. In addition, more and more small and medium enterprises are exploring opportunities in ASEAN, including in CLMV countries.

Likewise, ASEAN companies are also exploring and expanding their operations in India. This demonstrates that this business relationship provides opportunities for greater economic inclusiveness not just for the larger companies but more importantly, for SMEs. These small and medium enterprises form the backbone of our economies and have the potential to contribute even more to our economic growth.

These are exciting times for us. I call on the private sector to take full advantage of this eco-system that we have created.

Conclusion

Distinguished guests,

Our Governments have set the pace and framework for our inclusive engagement. We, the ASEAN Economic Ministers, have decided to deepen our relationship with the business communities whether at the ASEAN, ASEAN+3 or ASEAN+6 levels. It is now time for the private sector to take advantage of the foundation that we have built. In particular, the ASEAN- India Business Council should assume a more proactive role in promoting trade and investment between ASEAN and India. My

colleagues and I welcome feedback from you on what we can do together to further facilitate trade and investments.

Once again thank you for inviting me to deliver this special address.