



## **JOINT STATEMENT OF INDIA-AFRICA TRADE MINISTERS**

**21<sup>st</sup> May 2011, Addis Ababa, Ethiopia**

1. We, the African Trade Ministers and the Minister of Commerce and Industry of the Republic of India, met in Addis Ababa, Ethiopia on 21 May 2011 on the occasion of the 2<sup>nd</sup> Africa-India Forum Summit. The Meeting was addressed by H.E. Mrs Elisabeth Tankeu Commissioner for Trade and Industry, African Union Commission and was co-chaired by H.E. Francisca Tatchoupe Belobe, Minister of Economy, Commerce and Business Development, of the Republic of Equatorial Guinea and H.E. Anand Sharma, Minister of Commerce and Industry of India.

2. We exchanged views on the global economic environment, noting with satisfaction that both the African and the Indian economies have shown recovery from the global economic and financial crisis and have exhibited resilience. Africa's economy expanded by 4.7 per cent in 2010 and is expected to grow at more than 5 per cent in the coming years. The Indian economy grew at 8.6 per cent in the last financial year and is projected to grow at the rate of 9 to 9.5 per cent in the coming 5 years. We are confident that the Africa-India Forum Summit would go a long way in strengthening economic ties between the two sides. We agree on the need for a reform of the global economic and financial system to avoid a recurrence of the recent crisis by focusing on the need for regulation of financial markets.

3. We take note of the huge markets of India and Africa, comprising about 2.2 billion people and with a combined gross domestic product of more than US\$ 3 trillion in 2009. The bilateral trade between Africa and India was in excess of US \$ 46 billion in the year 2010. We are confident that this trade will reach US \$ 70 billion by 2015. We also note with satisfaction the increase in Africa-India investments, which reached US\$ 90 billion in 2010.

4. We take note of the great potentials for mutually beneficial trade between Africa and India agree on the need to strengthen the trade relationship between the two sides through, inter alia, the building of trade –related capacity and the conclusion of trade cooperation agreements between India and African Regional Economic Communities(RECs)/countries.

5. We are happy to announce that the Trade Ministers of Africa and India will meet prior to every Africa-India Forum Summit and that the '*India-Africa Trade Ministers' Dialogue*' will be an annual event, to be held alternately in India and one of the African countries.

6. We take note of the progress that has been made in the establishment of trade and investment linkages between India and Africa and agree on the need for more efforts in this direction. We appreciate the establishment of an 'India-Africa Business Council', a mechanism to strengthen and deepen economic ties between the business communities of India and Africa; facilitate a consultative process to address the issues that stand in the way of enhancing economic and commercial relations between India and Africa, and develop a road map for business partnership. We consider these linkages would lead to enhanced partnerships, especially, in the sectors of processing of basic products and other priority sectors such as agriculture, education, health, pharmaceuticals, IT, skills training and infrastructure.

7. We recognize the important role of the various trade -related initiatives taken by the Indian Government in Africa, such as the 'Duty Free Tariff Preference Scheme', Cluster Development Studies, and various Capacity Building and Technical Assistance Programmes. We agree that effective implementation of these initiatives will contribute to the strengthening of the trade relationship between Africa and India. We commit ourselves to work towards tapping the huge potentials for the development of integrated clusters in sectors such as agro-processing, textiles, IT, floriculture, etc in Africa. We take note of the progress made towards the setting up of the 'Africa-India Institute of Foreign Trade' in Kampala, Uganda.

8. We reviewed the progress of the WTO Doha negotiations and recalled the objectives set for the Round. We are committed to the core principles of Special and Differential (S&D) Treatment and obtaining more preferential treatment for all LDCs. We acknowledge the common platform shared by India with the African Group on the issue of subsidies to cotton farmers in developed countries. This is of particular importance to four African countries, namely, Burkina Faso, Benin, Chad and Mali (the 'Cotton Four' or 'C-4' group), who are heavily reliant on cotton as a means of livelihood.

9. We emphasise the development mandate of Doha Round of negotiations and call for the speedy conclusion of the Round and the establishment of a strong multilateral system based on mutually beneficial and balanced outcomes in agriculture, NAMA, services and rules.

