

AFRICAN UNION
الاتحاد الأفريقي



UNION AFRICAINE
UNIÃO AFRICANA

Addis Ababa, ETHIOPIA P. O. Box 3243 Telephone +(251)115 517 700 Fax : +(251)115510467

STATEMENT BY
H.E. DR. JEAN PING, AUC CHAIRPERSON
AT THE OPENING OF THE MEETING OF AFRICAN
AND INDIAN TRADE MINISTERS,
21ST MAY 2011, 2011, ADDIS ABABA

Honourable Ministers,

Excellencies,

Ladies and Gentlemen,

It is a great pleasure for me to address this meeting of African and Indian Ministers of Trade, which is being held within the framework of the Second India- Africa Forum Summit (AIFS-II). Let me first of all welcome you all to the headquarters of the African Union and wish those of you who have come for the meeting from India and outside of Ethiopia a pleasant stay in Addis Ababa.

Africa and India have cultural and economic links that date back to centuries. However, in spite of the geographical and cultural proximity of the two regions, the level of their cooperation has remained relatively low for a long period. It is with a view to strengthen and deepen Africa- India partnership for the mutual benefits of both sides and to meet common challenges of the 21st Century that our Heads of State and Government established the Africa-India Forum Summit in 2008 and adopted the Framework of Cooperation as the blue print for the enhancement of the partnership. As you may be aware, a major cluster in the framework relates to economic cooperation. It is in the context of the urgent need to strengthen Africa-India trade and economic partnership that today's meeting of Ministers of trade from both sides is of great importance. The meeting is particularly timely in the light of recent developments in the global economic and trading systems.

Honourable Ministers,

Excellencies,

Ladies and Gentlemen,

As parts of the developing region of the world, Africa and India share a common aspiration for an inclusive and equitable global trading system that is development – friendly and devoid of imbalances against developing countries. This explains why our countries have invested much time, and human and financial resources in the Doha Round of the WTO negotiations. For Africa, a development-friendly multilateral trading that enables the continent to increase its share of global trade by just one per cent will provide it with more development resources than it is currently getting through aid. Unfortunately, after nearly a decade of intensive negotiations, the Doha Round is yet to be successfully concluded. Indeed, the Round appears now to be in "intensive care unit" and requires urgent attention for its survival.

Apart from the stalemate in the global trade negotiations, the world has recently witnessed an economic and financial crisis that, in the post-war period, is

unprecedented in its severity. Although the crisis was not of the making of our two regions, they have not been spared from its adverse effects. While we make efforts to address such effects, the reform of the international economic and financial architecture must receive the needed attention. I am happy to learn that this joint meeting of African and Indian trade ministers will discuss both the Doha Round of trade negotiations and the global economic and financial crisis. The expectation of AUC is that your reflection on these issues will yield recommendations that will enable our countries to safeguard our common interests in the global trading and economic systems.

Honourable Ministers,

Recent developments in the global trading and economic system underscore the need for the enhancement of the flows of trade and investment between Africa and India. Although these flows have risen in recent years, they are still significantly below the levels expected from two neighbouring regions that are joined by common aspirations and similarity of problems. The rise of India as a global economic power and its high and sustained rate of economic growth; the rich endowment of Africa in natural resources that are currently in great global demand; the commitment of Africa to deepen economic cooperation with the emerging powers of the South as means of lessening its heavy dependence on the economies of the traditional partners in the North; and the large and growing populations of Africa and India are factors that have created opportunities for the expansion of trade and investment flows between the two regions. As Ministers of trade of Africa and India, you have a major responsibility for coming up with ideas and recommendations that will enable our two regions take full advantage of these opportunities.

I wish to emphasize that the economic and trade partnership that Africa seeks to have with India, and indeed with the other emerging powers of the South, is that of mutual benefits for both sides and one that is qualitatively different from that of its partnerships with the countries of the North. This requires that Africa's exports to India should not comprise mainly of primary commodities but also of manufactured goods and value added products as well as services. It also implies that Indian investment flows into Africa should not be destined only to the exploitation of natural resources but also to manufacturing and to the enhancement of infrastructure and other trade-related capacity. Promotion of Indian-African joint ventures for increased value addition to commodities in Africa for the Indian and African markets as well as for third-country-markets must be a key element of the strategy for achieving this objective. It is in this regard that the meeting which the trade ministers will be having with Indian and African CEOs later today is timely. With the public and private sectors of India and Africa working together, I have no doubt that we can meet the challenge of developing a mutually beneficial trade and economic partnership.

Honourable Ministers,

Excellencies,

Ladies and Gentlemen,

Permit me to end this address by commending the government of India for some initiatives it has taken recently to enhance Africa's trade performance. These include the offer of duty-free and quota-free market access to African least developed countries (LDCs), and the proposal for the establishment in Kampala, Uganda of an "India-Africa Institute of Foreign Trade". Within the framework of cooperation between India and Africa, India has indicated its commitment to the building of Africa's trade-related capacity through support for the development of infrastructure, technology and human capital. If these initiatives and measures are effectively operationalized, they will no doubt contribute significantly to the boosting of Africa-India trade and economic partnership and assist Africa in meeting the challenges of development in today's globalizing economy. India deserves our gratitude for these measures and initiatives.

I thank you for your kind attention and wish you fruitful deliberations.