

INDIA-ASEAN MARITIME PACT LIKELY BY YEAR- END: SUSHMA SWARAJ



NEW DELHI: Seeking deeper engagement with ASEAN, India today invited the powerful bloc to take advantage of its 'Make-in-India' initiative and invest in railways, ports, highways and smart cities besides forging closer ties in combating terrorism and other transnational crimes.

Addressing the annual Delhi Dialogue on ASEAN-India partnership, External Affairs Minister Sushma Swaraj also identified maritime cooperation as a major area and said both sides have started talks on a maritime transport pact which could be firmed up by year-end.

Pitching for enhanced transport connectivity between the two sides, Swaraj said India was simultaneously endeavouring to transform the corridors of connectivity into corridors of economic cooperation.

"Enhancing connectivity between India and ASEAN in all its aspects - physical, institutional and people-to-people, is a key strategic priority for us. Our North-Eastern region is our land-bridge to the ASEAN," she said.

Senior ministers from a number of ASEAN countries were present on the occasion.

Noting that there was huge scope for enhancing economic engagement between the two sides, Swaraj said India-ASEAN Agreements on Trade in Services and Investment will also unleash large potential for mutual investment.

Talking about government's efforts to ease norms for doing business under its 'Make-in-India' initiative, she said ASEAN companies could look for investments in a large number of sectors such as smart cities, roads and highways, ports, railways, power and urban infrastructure.

ASEAN is India's fourth largest trading partner and the annual trade between the two sides stood at over \$76 billion in 2013.

"We need to make a special effort to achieve our target of enhancing trade to \$100 billion by 2015 and our aspiration to double it to \$200 billion by 2022. We will have to

significantly augment the utilisation level of the Agreement on Trade in Goods and further liberalise the tariff lines.

"I am glad that the process has started to revive the ASEAN-India Trade Negotiations Committee to kick-start these discussions. Investment flows are also substantial both ways, with ASEAN accounting for approximately 12.5 per cent of investment flows into India since 2000," she said.

FDI outflows from India to ASEAN countries over the last 7 years were over \$31 billion while FDI equity inflows into India from ASEAN countries during this period were over \$25 billion.

On the security challenges, Swaraj said "as countries inhabiting a contiguous geographical space, India and ASEAN member-states share several common traditional and non-traditional security challenges."

"We have also consciously striven to step up our consultations with ASEAN mechanisms dealing with terrorism and other transnational crimes," she said.

Talking about India's priorities for ASEAN, Swaraj said Prime Minister Narendra Modi wants to "move with a great sense of priority and speed to transform India's hitherto 'Look East Policy' into an 'Act East Policy'."

"We also have maritime boundaries with several ASEAN countries and this is particularly important from a trade perspective. We have started negotiations on an ASEAN-India Maritime Transport Cooperation Agreement and hope that it will be finalised by the end of the year," she said.

Referring to Modi's announcement at the 12th ASEAN-India Summit in Nay Pyi Taw, Myanmar, last year to establish a Special Facility to facilitate project financing and quick implementation of connectivity projects, she said government was currently working out the modalities of this Special Facility.

"Fostering people-to-people linkages remains at the heart of India's engagement with ASEAN," she said.

"We have made progress in implementing the Trilateral Highway project which proposes to provide seamless connectivity from Moreh in Manipur to Mae Sot in Thailand via Myanmar.

"We have also started negotiations on an India-Myanmar-Thailand Transit Transport Agreement to address soft connectivity issues," she said.

She said the Kaladan Multimodal Transport Project will provide a road and riverine link between Myanmar and Mizoram as well as connect Indian ports to Sittwe port in Myanmar.

"Our experiment with a dedicated fortnightly freighter service with Myanmar has proved to be a commercial success. We plan to commission a study soon to see if this experiment can be replicated, both for cargo and passenger services, with other Southeast Asian countries," she said.

Swaraj said India was also looking to expand air connectivity, particularly between the North East and Southeast Asia.

"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 and 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 said.