Speech by H.E Le Luong Minh Secretary-General of ASEAN "ASEAN-India: Partnership for Peace and Prosperity" Visit to the ASEAN-India Centre New Delhi, 10 December 2015

H.E. Ambassador Anil Wadhwa, Secretary (East), Ministry of External Affairs of India,

Ambassador V. S. Seshadri, Vice Chairman of the Research and Information System for Developing Countries (RIS), Prof. Sachin Chaturvedi, Director of RIS, Prabir De, Coordinator, ASEAN-India Centre, Distinguished Guests, Ladies and Gentlemen

Good morning. Let me first express my appreciation to the Government of India for inviting to visit the country at a time critical for ASEAN with the recent proclamation of the ASEAN Community together with ASEAN's post-2015 vision and the recent adoption of a new Plan of Action to implement the ASEAN-India Strategic Partnership. I would also wish to thank the Indian Council for Cultural Relations for conferring me the First Distinguished Alumni Award. I take it as a token of the recognition of the importance of ASEAN-India friendship and cooperation rather than of my humble contributions

At the 27<sup>th</sup> ASEAN Summit three weeks ago in Malaysia, the ASEAN Leaders signed the *2015 Kuala Lumpur Declaration on the Establishment of the ASEAN Community* to formally proclaim the launch of the ASEAN Community on 31 December 2015. ASEAN shall, after 48 years of evolution and development, be realizing the dream of a Community where all people, stakeholders and sectors of society can contribute to and enjoy the benefits of an integrated and connected

ASEAN encompassing enhanced cooperation in all the political-security, economic and socio-cultural pillars for sustainable, equitable and inclusive development.

In a region as diverse as Southeast Asia in terms of cultures, religions and political systems, the Member States of ASEAN could have succeeded this far only with the determination to come together with an ever-forward-looking approach to regional cooperation. What began as a loose grouping of only five countries in Southeast Asia has grown into a full-fledged association comprising of ten Member States with a population of 625 million and a GDP of over two and half trillion US dollars, being the third largest Asian economy, seventh globally.

Anchored on the collective commitment to ensure peace, security and stability in the region, ASEAN's economic integration within and into the global economy has driven the region's robust growth. From 2008 to 2014, after six years of implementing the ASEAN Community Roadmap, intra-ASEAN trade increased by 33% reaching more than 610 billion US dollars. From 2004 to 2011, the total ASEAN trade volume more than doubled, equal to its combined GDP. Such growth and development enabled ASEAN to achieve remarkable success in reducing poverty, improving health services, education and access to information, enhancing disaster preparedness, narrowing of development gaps within and among countries.

Growth and development have in turn enhanced regional integration. Starting with its first economic agreement, the ASEAN Free Trade Area Agreement in 1992, ASEAN is the only entity to have concluded free trade agreements with all major and middle economies in the Asia-Pacific region. It is presently in the process of negotiations with its 6 free trade area partners towards the creation of a comprehensive, high-quality and mutually-beneficial economic partnership in 2016, the Regional Comprehensive Economic Partnership, or RCEP. Once conclude next

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year, the RCEP will be the biggest single market with half of the world's population and almost one third of the world's GDP and trade. ASEAN is also in the process of negotiating an ASEAN-Hong Kong Free Agreement and will resume negotiations with the EU on an ASEAN-EU FTA. All this would further strengthen ASEAN's position as a centre of growth in the Asia-Pacific region.

With the imminent establishment of the ASEAN Community, ASEAN will bring about even more opportunities and benefits to all ASEAN peoples when barriers will be further eliminated, national systems will be further harmonized, wider regional and global integration further enhanced. It has been estimated that by 2030, ASEAN will become the fourth largest global economy. Intra-ASEAN trade will increase from less than 25% of the present total to 30% five years after the launched of the ASEAN Community, by 2020.

At the heart of these ASEAN's efforts are the people. ASEAN's success will ultimately be measured by how the Community building efforts have benefited the lives of its citizens. Right at the start, ASEAN committed to build a Community where the ASEAN peoples are bound together in friendship, cooperation, peace, freedom and prosperity in a Community of opportunities.

## Distinguished Guests, Ladies and Gentlemen

At the 27<sup>th</sup> Summit, the ASEAN Leaders also signed the *Kuala Lumpur Declaration on ASEAN 2025: Forging Ahead Together*, which charts the path for the ASEAN Community building over the next decade. It is a forward-looking roadmap that articulates ambitious goals and aspirations as ASEAN enters the next phase of consolidation, further integration and stronger cohesiveness as a Community. While integration and peace and stability will remain the pre-conditions

for the region's growth, the ASEAN Community 2025 Vision lays a greater focus on improving the living conditions of the ASEAN peoples. It sets concrete goals in expanding trade, investment, poverty reduction, narrowing development gaps, infrastructure development, disaster management, counter-terrorism, and food and energy security, with a view to ensuring equitable and sustainable development for all Member States.

To realize such a vision, ASEAN would continue to promote and strengthen its external engagement. A strong, united and prosperous ASEAN Community is a vital element in ensuring peace, stability and prosperity in East Asia and Asia-Pacific. India, as a most populous nation with historical and cultural similarities and shared interests, and one which is both land and sea-linked to ASEAN, will always be one of ASEAN's most important partner.

Since India became a Sectoral Dialogue Partner in 1992 and subsequently a full Dialogue Partner in 1995, the ASEAN-India relations have grown leap and bound over the past 2 decades. Today, the ASEAN-India Dialogue Relations have developed into one of ASEAN's most comprehensive, dynamic and fast-growing partnerships, spanning across an entire spectrum of political-security, economic, social-cultural and development cooperation.

India is an active participant in ASEAN-led regional dialogue and cooperation mechanisms where it strongly supports ASEAN centrality. ASEAN-India trade reached more than 67 billion US dollars in 2014, making India ASEAN's seventh largest trading partner. Foreign direct investment from India to ASEAN in 2014 reached 0.82 billion US dollars, making India ASEAN's eighth biggest investor. The development of tourism, the enhancement of people-to-people contacts and

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cooperation in a wide-range of economic-social-cultural spheres from health to science and technology, ICT to SMEs, infrastructure to agriculture have all been contributing greatly to mutual understanding and the bond of friendship between our peoples. The adoption of the Vision Statement at the ASEAN-India Commemorative Summit in 2012 has given the impetus to further advance the ASEAN-India relations and substantiate our strategic partnership.

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As ASEAN and India continue to implement the activities listed in the Vision Statement, the work-at-hand is to ensure that the implementation is effective with high-impact and mutually-beneficial cooperation projects.

Let me briefly touch on four areas where further efforts should be invested:

First, the Leaders of ASEAN and India expressed their strong commitment to realise the trade and economic potentials of the strategic partnership. With a combined market of over 1.8 billion people and a GDP of 4.6 trillion US dollars, and a relative geographical proximity, there are huge potentials waiting to be tapped in ASEAN-India trade, investment and economic cooperation. We need to promote and devise measures to ensure that the ASEAN-India FTA benefits the business communities on both sides. Deeper private sector engagement is vital to enhance our economic ties. With concerted efforts, we will be able to achieve the target of 100 billion US dollars in ASEAN-India trade by 2015. In addition, given the importance of the RCEP to both ASEAN and India in the implementation of the agreement signed at the side-lines of the recent ASEAN Summit, the two sides have to work closely to achieve the target of concluding the negotiations in 2016.

Second, ASEAN is embarking on a bold and long-term strategy to improve regional physical, institutional and people-to-people connectivity. Enhanced ASEAN connectivity would promote ASEAN centrality in the regional architecture, facilitate the building of an ASEAN Community and serve as a foundation for enhanced connectivity beyond the region. This is in-line with the commitment of the Leaders to further strengthen ASEAN-India connectivity. Expanding and improving road, rail, maritime and air linkages will be crucial to further increase ASEAN-India trade and investment. The development of the Mekong-India Economic Corridor, the construction of the new India-Myanmar-Lao PDR-Viet Nam-Cambodia Highway and the extension of the India-Myanmar-Thailand Trilateral Highway would further promote transport infrastructure linkages, and contribute to the increase in two-way trade and investment. In the meantime, the ASEAN-India air connectivity can be strengthened via greater liberalisation of air services, both goods and passengers. In this regard, the ASEAN-India Air Services Agreement should be concluded at the soonest. Concrete efforts should be directed to support the Master Plan on ASEAN Connectivity in areas where India has strong expertise and interest.

Third, ASEAN and India need to continue the momentum gained in their cooperation to support the narrowing of the development gaps in the region. India's support to the Initiative for ASEAN Integration through implementation of programmes in entrepreneurship training, English language and ICT have contributed significantly the enhancement of the capacities of Cambodia, Lao PDR, Myanmar and Viet Nam. Enhancing cooperation in bridging the development gaps needs to be continued and further promoted.

Fourth, ASEAN and India need to deepen their cooperation and promote closer coordination on regional and international issues, through more constructive dialogues and activities in existing mechanisms that promote peace and security, such as the ASEAN Regional Forum, ASEAN-Europe Meeting, and East Asia Summit. Such cooperation and coordination can be manifested at global fora such as the United Nations where ASEAN and India shares common positions on most major issues, especially those on respect for the fundamental principles of international law and international relations. India is highly respected for its non-violence culture and ASEAN is well-known for its support for the principle of non-use of force and moderation. This will contribute to advance the mutual common interests of promoting peace, stability and prosperity in the East Asia and wider Asia Pacific regions.

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Three years have since passed following the elevation of the ASEAN-India Dialogue Relations to a Strategic Partnership. Engagement is intensifying. It is imperative for ASEAN and India to be committed in pursuing a multi-track approach to nurture the Strategic Partnership effectively.

India is actively working with ASEAN to implement the ASEAN-India Plan of Action 2010-2015, including the development of SMEs and cooperatives, economic legal frameworks, logistics and transportation, ICT, and tourism. During the ASEAN-India Ministerial Meeting in August 2015, the Ministers adopted a new and more enhanced ASEAN-India Plan of Action 2016-2020 to strengthen the Strategic Partnership. Both sides can now effectively implement the new Plan of Action by taking into account the ASEAN Community Vision 2025.

Moving forward, as immediate priorities, ASEAN and India could, among others, focus on promoting two-way trade and investment. This includes the continuation of the ASEAN-India trade consultations and the re-activation of the ASEAN-India business summits, as well as increased private sector interactions, further promotion of people-to-people connectivity, cultural exchanges, education, among others.

## Distinguished Guests, Ladies and Gentlemen

As an immediate neighbour and a key partner of ASEAN, we look forward to enjoying India's support in realising our ASEAN Vision 2025 in the interests of peace, stability, cooperation and harmony in the region and friendship between our peoples.

Thank you!

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