

**REMARKS BY
MINISTER FOR FOREIGN AFFAIRS AND MINISTER FOR LAW
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AT THE ASEAN-INDIA CENTRE IN NEW DELHI
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“ASEAN and India – The Challenges”

Thank you, Ambassador Saran for the warm words. Your Excellency Ambassador Haji Sidek, Your Excellencies, Distinguished guests. I have been asked to say a few words on “ASEAN-India: The Challenges.”

2 I don’t intend to make a speech, but I will share a few thoughts on both the opportunities and the challenges. Hopefully we will have some time for questions and answers, which are always more interesting than hearing me speak.

ASEAN-India history

3 Much has been said by people in India and people in ASEAN. What has been said is often by reference to the history, geography, culture and the great potential that exists between the two regions. And often, it is said to be a somewhat of an inevitable destiny and partnership.

4 In 2012, we celebrated the 20th anniversary of the dialogue relations. It was a milestone and this institute (the ASEAN-India Centre) is one of the products of that. I think it is a good time to look again at this relationship and think deeply about where we are going.

5 In that context, if I can share some history and what role it plays, I would like to share two thoughts- one, history as a framework and a foundation for what is possible, and second, whether history is necessarily destiny.

6 In history, it is obvious that there is a close relationship between India and ASEAN. We in Southeast Asia have been deeply influenced by India through trade, culture and philosophy. If I may, I will just offer some vignettes of history. If you start down south in Indonesia, the influence of

India can be seen for example in the Ramayana and the shadow puppet plays of it are very prevalent. I remember the first time I watched it with my wife. Though I have to say the adaptation of the Ramayana to the Indonesian style left me wondering who was Hanuman, Ravana and Rama, you could still follow the broad outlines of the book through the play.

7 If you move further up north to Kedah, in South Indian chronicles, Kedah was referred to as Kedaran and artefacts from the Chola Kingdom were found in Kedah. In Thailand, the royal capital was Ayutthya. In Cambodia, there were many kings like Jayavarman, Indravarman, Rajendravarman, Suryavarman who built the Angkor Wat, and the Kingdom ended with Thirubuvanadityavarman. In Myanmar, the influence is obvious. Today, when I had a few minutes, I looked up the name “Inderjit”, or “Indrajit”, Ravana’s son, and how he is represented in the different cultures. He’s also known as Meganadhan. One of the Indonesian Presidents was Megawati. In Javanese, the name is Indrajit, in Burmese, the name is Indrazita, in Laotian, the name is Inthachi and in Thai, it is Inthorochit. These are just some illustrations of how deeply Indian culture and history has infused into Southeast Asia.

8 The history and geography therefore provides the foundation. It tells us what is possible, and what is possible is a close, cooperative relationship.

9 But is history necessarily destiny? These thoughts went through me as I went to Patna and the Nalanda University yesterday and today. The names that I saw were redolent with grandeur and greatness- Patna; Pataliputra; the Nalanda University; the thousands of students who were there more than 1,500 years ago coming from several countries; Ashoka; the Mauryas, the Guptas and their empires. The achievements are a testimony to the great spirit of the people and of the limitless possibilities of human endeavour.

10 But I think it is fair to say that today’s Bihar, objectively and fairly, in relative terms, is probably not in the same position as it was during those periods. It is somewhat lesser than the greatness it once enjoyed.

11 Likewise, the history of India and Southeast Asia, while it points to possibilities, does not necessarily define the outcomes. Too much reliance on

history may actually mislead us, because it may lead us to overlook the new history that is being written and made everyday.

12 We in Singapore, because we are less than 50 years old, are forced to look at history anew each day. What is that new history that is being written today? The 600 million people in ASEAN is a young population which has a tremendous belief that tomorrow will be better than today. It has a lot of energy and a lot of resources, and an economy the size of India's at US\$2.2 trillion, which would be the 9th largest economy in the world. The new history is being written through linkages and physical connectivity with China, the huge amount of flow of investment and trade between China and Southeast Asia. Across the Pacific, (a new history is being written) with the United States, which is the resident power and is now talking in terms of the Trans-Pacific Partnership that would really bind many of the economies of Southeast Asia, some in Latin America with that of the United States. With Japan, Korea and the European Union talking about an FTA, a new history is being written everyday in terms of new ideas, new concepts, tremendous economic investments through people, companies, through active government foresight and involvement.

13 India and ASEAN had a Commemorative Summit in December 2012. The outcomes were good and emphasized the importance of relationship and agreed on the elevation of the relationship to Strategic Partnership and the Leaders endorsed the ASEAN-India Vision Statement. If you look at Singapore, Singapore-India trade grew from about US\$9 billion in 2004, before we signed the FTA with India (the Singapore-India Comprehensive Economic Cooperation Agreement) to US\$24 billion last year. Indian investment in Singapore has grown from under US\$500 million in 2004 to just under US\$20 billion in 2011.

14 India's trade with the rest of ASEAN has progressed well. The conclusion of the Goods Chapter of the ASEAN-India FTA (AIFTA) in 2009 has increased trade by more than 40% to US\$75 billion in 2011, surpassing the 2012 trade target of US\$70 billion.

15 The greater connectivity has brought more Indian tourists to Singapore and other countries in Southeast Asia. More than 700,000 people from India visited Singapore last year.

India's Role: The Road Ahead

16 What else can be done? what else has to be done?

17 I am one of those who believe there is nothing wrong in governments playing an active role in thinking long term strategically to provide the frameworks. That is essential. Once you provide that framework, the business people will know what to do and the cultural linkages, the trade and people to people linkages will then follow.

18 We are now discussing advancing the economic cooperation between the regions. Economic negotiations are never easy but closer economic linkages grow regional trade and investment ties and they help build better lives and regional stability throughout Asia. We welcome the successful conclusion of the AIFTA services and investment chapter negotiations, which is to be signed next month in August 2013. The FTA will bring us closer to the new trade target of US\$100 billion by 2015. And that paves the way for India's participation in the Regional Comprehensive Economic Partnership (RCEP). RCEP will create win-win outcomes for all parties because RCEP will comprise the major economies of the region including China, Japan, Korea and of course ASEAN at the centre. If India is part of it, it is of course to India's benefit, and it will entrench India's strategic presence in the region. Therefore, we look forward to India's meaningful participation towards a high quality regional FTA.

19 The missing link in our economic landscape and linkages is really the need for greater land, air and sea connectivity between ASEAN and India that will completely transform and facilitate the interactions and enhance business opportunities both ways. We welcome India's willingness to liberalise air cargo services with ASEAN. We strongly urge India to commence negotiations on a full Air Transport Agreement (AIATA) soon, and include the liberalisation of passenger services in its scope. For example, between Singapore and India, there are 400 flights a week but the demand outstrips supply and often we wonder why we cannot increase the number to the benefit of people on both sides. A comprehensive AIATA will boost trade and two-way tourism and maximise the potential of the January 2012 ASEAN-India MoU on Strengthening Tourism Cooperation.

20 Second, and I cannot emphasise this strongly enough, we look forward to greater cooperation on the implementation of the Master Plan for ASEAN Connectivity. If we can physically connect ASEAN to India through Assam, with proper highways that have adequate security, it will link India with mainland Southeast Asia all the way down to Singapore. That physical connectivity will completely transform the landscape.

Conclusion

21 In conclusion, we encourage India to step up the engagement of ASEAN in fulfilment of PM Manmohan Singh's "Look East" policy. We in Singapore remains committed to working closer with our colleagues on both sides to build a more robust and forward-looking relationship.

Thank you.

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