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Do not miss trade bus to India, PM tells S Africa

Chaitanya Kalbag
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PRIME MINISTER Manmohan Singh told a group of senior Indian and South African businessmen on Monday that he was confident India can accelerate economic growth to the eight-to-ten per cent range.

"We have been able to register an economic growth rate of eight per cent for four years in a row. Most analysts now believe we can sustain this rate of growth into the medium term. Indeed, we aim to raise the growth rate to the eight-to-ten per cent bracket in the near future," Singh told the third meeting of the India-South Africa CEOs' Forum in Pretoria.

The prime minister noted that South Africa is India's biggest trading partner in Africa, but that bilateral trade, which totalled \$4 billion last year, was negligible in the context of global trade.

English was widely spoken in both countries, Singh said. "The presence of a large number of people of Indian origin in South Africa should also help cement our business relationship."

Singh said companies from around the world were investing in India. "They see India as a vibrant marketplace and a growing market. They all find India a productive and profitable business destination."

He invited South African businessmen to use India as a hub for their activities in Asia. "With the South Asian Free Trade Agreement in place and India-ASEAN Free Trade Agreement under negotiation, the potential is unlimited. I would not like South African companies to miss the bus," he said.

The CEOs' Forum is co-chaired by Tata group chairman Ratan Tata and Patrice Motsepe, chairman of South Africa's mining giant Rainbow Minerals. India's delegation included Tarun Das, chief mentor of the Confederation of Indian Industry; M.D. Saini, director of Alcons, a unit of the Shapoorji Pallonji group; Vijay Mahajan, chairman of Basix India Ltd; A.K. Puri, chairman of Bharat Heavy Electricals Ltd; R.K. Belapurkar, executive director of BHEL; Niranjana Limaye, ICI's chief Africa representative; Rajul Kirloskar, director of Kirloskar Oil Engines; P. Rajendran, CEO of NIIT; Ranjan Chakraborty, head, Africa, Ranbaxy Laboratories Ltd; T. Tanti, CEO of Suzlon Ltd; Raman Dhawan, managing director of Tata Africa Holdings; Ravi Kant, managing director of Tata Motors Ltd; and Syamal Gupta of Tata International.

Although 2005 bilateral trade soared more than 70 per cent from 2004, India



Prime Minister Manmohan Singh with former South African President Nelson Mandela at the Mandela Foundation in Johannesburg on Monday.

accounts for only 1.4 per cent of South Africa's total exports.

Tata Sons is looking at an immediate investment of 1.9 billion rand, from the six billion rand it plans to invest in the telecoms sector over the next five years. Tata has a 26 per cent stake in Neotel, which is a company providing enterprise information technology, security and biometric identification products and services to organisations, government and healthcare agencies.

"We have been here for about five years," Kirloskar told the *Hindustan Times*. "This year we will be exporting about \$5 million worth." The exports included oil engines, pumps and compressors.

Rajendran of NIIT said his company, which currently has one centre in Dur-

ban, plans to expand its presence in South Africa. "This is directly to do with South Africa's desire to improve its skill-set development," he said.

Tata Motors and Mahindras already have a good presence in South Africa.

Suzlon's Tanti said Hansen Transmission, the world's second-largest manufacturer of wind-turbine gear boxes, which Suzlon acquired in May this year, already had a presence in South Africa. Tanti said Africa is sitting on potential wind-generated power totalling about 400,000 megawatts. "We are looking for opportunities in this sector," he said.

Shipra Tripathi, director for Africa at CII, quoted Tarun Das as saying: "CII will initiate skills development in South Africa in collaboration with the Indian government."

Pretoria lends New Delhi nuclear hand

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All six bombs were destroyed.

South Africa, which controls about a tenth of the world's uranium supplies, is a staunch opponent of proliferation, and its support could be vital at the forum, which includes a more intransigent Australia.

The Declaration stepped very carefully around the precise nature of the next steps on nuclear cooperation. Both sides reaffirmed their commitment to the elimination of all nuclear weapons, and crucially said "nuclear energy could play an important role in ensuring safe, sustainable and non-polluting sources of energy to meet the rising global demands of energy, particularly in developing countries".

They said they support the "inalienable right" of all countries to the "peaceful application of nuclear energy" and concluded that if nations adhered to International Atomic Energy Agency (IAEA) rules, civilian nuclear cooperation could be enhanced through "acceptable forward-looking approaches".

Mbeki told the news conference: "We are all awaiting the outcome of the (vote at the) US Congress." He noted that there had been no agreement on the issue at the IBSA (India-Brazil-South Africa) summit in Brasilia last month. "When the matter has to be formally decided, surely it has South Africa's support," he said.

Singh and Mbeki had spent the weekend celebrating the "umbilical cord" of Gandhian values that links their countries. But Monday's talks, which coincided with Mahatma Gandhi's 137th birth anniversary, underlined a new awareness of one another's strategic importance.

A senior Indian official, speaking on condition he not be identified, had told the *Hindustan Times* earlier that Pretoria's perception of New Delhi's attitude had distinctly warmed after India chose to plump for South Africa as its choice for an African seat on the UN Security Council in preference to the two other candidates, Nigeria and Egypt.

The official also noted that South Africa and India are both Indian Ocean powers with large navies. India accounts for 15 per cent of South Africa's arms exports.

South African officials are also apparently becoming conscious that their country is becoming a favourite rest-and-recreation post for terrorist groups, which might also be setting up sleeper cells in the republic. "South African intelligence will now be keeping a much closer eye on all comings and goings, and share this intelligence with India," the Indian official said.

Mbeki told the news conference, when asked if he thought the war on terrorism was succeeding: "If any act of terrorism occurs, it must mean that the war on terror has not been won. Surely I don't think anybody would say it has been won."

He said it was crucial that information on terrorism was shared. "So it is a partnership so that in the end we empower each other... with regard to intelligence, forewarning, ability to act in particular ways, preferably to stop these acts of terrorism before they are committed."

Trade and business opportunities also formed an important plank of the Declaration. The two countries pledged to treble bilateral trade, which totalled about \$4 billion last year, by 2010.

Agreements on cooperation were also signed in health, education and science and technology.

A Preferential Trade Agreement is also on the cards. Senior business leaders from the two countries who met in the third India-South Africa CEOs' Forum held separate talks in Pretoria. Ratan Tata, who heads the Indian CEO delegation, is also an adviser to Mbeki. Indian companies are expanding their presence in South Africa, and IT firms have led the way in establishing a foothold in the republic.

The prime minister noted that South Africa was India's biggest trading partner in Africa.

It was clear that Singh, who turned 74 last week, and Mbeki, 64, had struck a good friendship. Mbeki also displayed a quick wit.

Asked if he and Singh aimed to take the concept of Satyagraha beyond their relationship, he said: "I suspect that India and South Africa have got other ways to make our voices heard. I do not think therefore that it is necessary for the prime minister and I to... run a campaign of civil disobedience in order to get the change in the UN Security Council. We will use other means."

More seriously, Mbeki said Satyagraha was attractive because of its inherent principles. He said it was important to use the centenary of Satyagraha to "try to re-infuse his ideas and vision, that value system". In order to construct a better world, he said, "it must not only mean more houses, or clean water, or jobs, but it also means the soul of the people and Satyagraha, in addition to the actions, contained these values and principles and I think they are critical to the reconstruction of the world".

The Tshwane joint declaration

EXCERPTS FROM the Tshwane Declaration on reaffirming the strategic partnership between South Africa and India: ■ In commemorating the centenary of Satyagraha and in the spirit of strategic partnership, South Africa and India reaffirm their commitment to a global order of peace, equality and justice.

■ President Mbeki and prime Minister Manmohan Singh expressed their belief that South Africa and India draw their strength and inspiration from the diverse, multi-cultural societies constituting their nations; and that the best

assurance for continued peace and prosperity lies in adherence to democratic governance rooted in respect for human dignity and fundamental rights. ■ They shared the view that international economic relations continue to be characterised by inequities and inequalities with large sections of the world yet to reap the benefits of globalisation.

■ They reaffirmed the need for a decision regarding expansion of the Security Council, without which no reform of the United Nations would be complete.

■ The two leaders expressed concern

over terrorism, extremism, trans-border organised crime and illicit trafficking in humans, arms and drugs.

■ Mbeki and Singh reiterated the unwavering commitment of South Africa and India to complete elimination of nuclear weapons in a comprehensive, universal, non-discriminatory and verifiable manner.

■ They also agreed that nuclear energy can play an important role in ensuring safe, sustainable and non-polluting sources of energy to meet rising global demands of energy.