

**ADDRESS BY H.E. MR MALOSE MOGALE, SOUTH
AFRICAN ACTING HIGH COMMISSIONER TO INDIA, AT
THE INVESTMENT AND TRADE INITIATIVE, NEW DELHI**

4 MARCH 2013

H.E. Ms Elizabeth Thabethe, Deputy Minister of Trade and Industry, SA

Mr Vikramjit Singh Sahney, FICCI and Honorary Consul for SA

Ms Pumla Ncapayi, DDG: Dept of Trade and Industry

South African and Indian Business

Excellencies

Ladies and Gentlemen

Namaste!

It is always a pleasure to welcome delegates from South Africa to India and to welcome our Friends from the Indian business fraternity and organizations who are gathered here today. I want to express my appreciation to FICCI for partnering with the South African High Commission and the Department of Trade and Industry in hosting this event today.

With long periods of sustained economic growth of around 7%, India has become a global economic force to be reckoned with. It is predicted that by 2020, India will be among the leading economies of the world. In fact, Finance Minister Chidambaram mentioned in his budget speech last

week that India aspires to be one of the top 8 economies in the world by 2017 and to reach the top 5 economies category by 2025. Today, India is a global player on so many fronts and so is South Africa. It is only provident that the two countries find areas of convergence especially on the economic front amongst others.

All economic players with an international outlook consider India in their economic policy formulations. India's engine of growth is hungry for a wide variety of inputs; from raw materials and resources to manufacturing inputs and consumer goods and services, from sources of investment to destinations for sustainable investment. These are the key markets in which South African business and Indian business can tap into through joint ventures and partnerships.

Both South African and Indian business should work together to find ways to ensure that all our objectives are met in a way that produces a mutually beneficial outcome. The synergies are undeniably there. But it requires effort and continuous dialogue between key players to identify these. Many of those required to identify the opportunities are here today: business leaders, representatives from organized trade and industry and government.

Friends, we have no doubt in our minds that the new global order will be led by the countries in the developing south especially from Africa and Asia. This is a fundamental shift in global trading patterns with countries

such as India and South Africa leading the way. We are also confident that Asia and Africa are the next economic giants!

Bilaterally, South Africa and India have been able to build quite a diversified economic and political framework with bilateral trade growing from USD4 billion to USD14.7 billion over the 2005-2012 period. Further to this, India ranks among the top 10 investing countries in South Africa, with investments estimated at over US\$6.5 billion to date through which about 9 500 jobs have been created. Similarly, South African investment into India has also been growing steadily, with investment amounting to USD250 million.

To further strengthen our bilateral trade, additional knowledge and understanding of each other's business and regulatory environment, as well as business culture will be required to ensure that the opportunity provided by the close and conducive political relations between our two countries is better utilised.

Ladies and Gentlemen, the challenge now lies in increasing the pace of growth and consolidating the gains being made. In this regard, there are initiatives already underway pointing us in the right direction including:

- ❖ The establishment of the India-South Africa Joint Ministerial Commission;
- ❖ The India/South Africa CEO's forum has been established but requires impetus to move forward faster;

- ❖ In a bid to strengthen the trade ties between India and South Africa, various agreements have been entered into in particular: the General Trade Agreement, Cooperation on Defence issues and SME Development and Capacity Building through the India Technical Cooperation Programme.

In addition to this, the bilateral relationship that South Africa and India enjoy has developed to such an extent that we are in the process of negotiating a SACU/India Preferential Trade Agreement. This, in our view, will further accelerate trade flows and extend the range of traded goods. It will also deepen the mutually beneficial trade and investment ties between our two developing economies of the South, in the African and South Asian regions. We need to ensure that the talks move faster which is something that I have already prioritized for special attention.

Ladies and Gentlemen, South Africa's impressive economic landscape will be elaborated upon by the Hon'ble Deputy Minister of Trade and Industry and also by DDG Ncapayi from the Department of Trade and Industry. However, I think it prudent to mention to you that South Africa's macro-economic fundamentals demonstrate a positive trajectory with the South African government offering many attractive investment incentives to further assist you with selecting South Africa as the preferred destination to do business in.

Distinguished guests, in conclusion, I am steadfast that through partnerships like the Africa-India Forum, India-Brazil-South Africa (IBSA) and Brazil-Russia-India-China-South Africa (BRICS), as well as our participation in the G20, we will champion South-South cooperation in a manner that brings about social and economic progress to all our people. As you know the 5th BRICS Summit will be held in eThekweni towards the end of this month with the theme **BRICS and AFRICA: Partnership for Development, Integration and Industrialisation**. With this statement of intent South Africa would like to ensure that our membership of BRICS also benefits the entire continent and the Summit will constitute another high-level opportunity to further support key priority areas of the African agenda.

I am of the firm belief that gatherings of this nature contribute immensely towards this objective and hope that, in light of this, we regularize our interactions.

In conclusion, I call upon the South African and Indian companies present here today to maximize this platform. To our Indian friends, I would like to extend the services of the South African Missions in India in realizing your trade and investment ambitions with South Africa - A country that is alive with possibility and inspiring new ways!

Thank you!

Dhanyavaad!