

**Address**

at the

**Inaugural Session of**

**National Consultations on India-LAC Relations**

**by**

**Ambassador Rajiv Bhatia**

Director General, ICWA

**at**

**Sapru House, New Delhi**

**July 10, 2012**

Shri M.Ganapathy, Secretary, Ministry of External Affairs; H.E. Mr. Javier Paulinich, Ambassador of Republic of Peru; Prof. Varun Sahni, Chair, Programme Committee of ICWA; Ambassador Deepak Bhojwani; Excellencies; Ladies and Gentlemen

On behalf of the Indian Council of World Affairs, India's unique, prestigious and pro-active think tank devoted to foreign policy, I have great pleasure in extending a warm welcome to you all. Despite the short notice, our friends from the diplomatic corps as well as the academic and strategic community and media are present here. This augurs well for the success of the day-long consultations on relations between India and the Latin American and Caribbean region. These have been undertaken by our institution with a purpose.

### **Goal of the Conference**

We hold these consultations in the context of the initiative taken by the troika of the recently formed Community of Latin American and Caribbean States – CELAC. We are grateful to the Republic of Chile, which holds the pro-tempore presidency of CELAC and other members of the troika, Venezuela and Cuba, for recognising India as a significant potential partner for the region. Through this dialogue, we hope to encourage stake-holders to catalyse ideas on all facets of India's relations with LAC and to develop a set of recommendations for consideration by the Government of India as they prepare for the forthcoming interaction with CELAC.

ICWA also intends to consolidate and enhance research on LAC as part of its mission to serve as a research centre of national importance. We are happy to launch an exclusive section devoted to LAC on our website today.

### **A New LAC**

As we all know, LAC comprises 33 independent countries, with a population of over 600 million and the combined GDP of almost US dollars 7 trillion in terms of purchasing power parity. It is destined to play a vital role in the global economy and international affairs. The region's importance has been increasing steadily. Experts tell us that 'a New Latin America for a New Century' is now an

unmistakable reality. It is marked by expansion of democracy, spread of economic progress, shared striving to achieve 'balanced and inclusive growth', strengthening of regional integration, and the region's increasing linkage to the processes of globalisation. These trends need to be factored in by policy makers. Happily they are doing so in India, but should they be doing more?

## **Relations with India**

The LAC region is often depicted as the last frontier for India due to geographical distance and our limited interaction in earlier decades. In recent years, however, this has been changing perceptibly as our interaction increases to encompass a wide range of issues. We have witnessed a significant expansion of dialogue and cooperation in political, economic and other fields with this dynamic region. This is especially manifest in our growing relations with several regional organisations such as the Rio Group, Caricom, Andean Community and SICA; conclusion of PTAs with Mercosur and Chile; and the priority accorded to new groupings such as IBSA, BRICS and BASIC.

Our political relations with the region are cordial but they should deepen further. Though the legacy of independence of Latin America and the Caribbean pre-dates that of India by over a century, there has been an increasing affinity of views and perceptions on global issues. This is evident from the number of LAC countries participating in the Non-Aligned Movement, close consultations in United Nations and other multilateral forums and increasing interaction through G20, G15 and other regional platforms.

India's trade with LAC, which stood at merely US dollars 2 billion in 2002, crossed US dollars 25 billion in 2010-11. But it still constitutes less than one percent of LAC's global trade and only 3 to 4 percent of India's global trade. Two-way investment flows, US dollars 15 billion at present, are also on the rise. As we meet here, India's Minister of State for Commerce and Industry, Shri Jyotiraditya Scindia, is accompanied by a large business delegation on his tour of Colombia, Venezuela and Cuba. As part of its commitment to South-South Cooperation, India has been making judicious use of its ITEC Programme to assist the region in capacity-building, education and information technology.

## **Conclusion**

On a personal note, I should add that Latin Americans, ‘blessed with a particularly warm and festive spirit’, as an Indian dignitary put it so aptly, ‘make good friends in all parts of the world.’ During my posting as ambassador in Mexico, visits to Cuba and Colombia, and extensive interaction with Latin American ambassadors in Nairobi where we all worked as PRs to UNEP, I discovered that India enjoys a highly positive image and that the desire to add substance to relations with us is both strong and widespread. The Indian polity needs to leverage this asset.

In the end, may I emphasise that the over-arching question today is: what kind of a new strategy India and LAC need in order to forge a stronger partnership, commensurate with the expectations of 21<sup>st</sup> century? I am confident that this question will be addressed in all its dimensions today.

Thank you for your attention.