

INDONESIA, INDIA DEEPEN ALL-ROUND RELATIONS

Intergovernmental and business ties were greatly strengthened during the three-day official visit of Indonesian President H. E. Susilo Bambang Yudhoyono to India in January 2011. Mr. Yudhoyono, who was accompanied by a large business and official delegation, met with his Indian counterpart Prime Minister Manmohan Singh and was the chief guest at India's Republic Day parade, held on 26 January 2011 in New Delhi. During the visit, Indian and Indonesian companies signed \$15.1 billion worth of memoranda of understanding (MoUs) for investments in Indonesia, mainly focused on developing airports, rail and power plants in the latter country. The Indian firm, GVK Power and Infrastructure, signed two MoUs to develop international airports in North Bali and Yogyakarta in Java. Two other firms, the Adani Group and Tata Power, signed agreements to build power plants in Indonesia.

Aside from the business deals, as many as 11 agreements were signed between the two governments in diverse areas such as air services, cooperation in the fields of petroleum and gas, education, science and technology and media. Also agreed were the establishment of a Consulate General of India in Bali, an Indonesian province with cultural links to India, an extradition treaty and a mutual legal assistance treaty. The two G-15 leaders announced the establishment of an Eminent Persons' Group for developing "Vision Statement 2025" that will be the basis for expanding the Indonesia-India strategic partnership over the next 15 years.

Source: IANS, 26 January 2011

ARGENTINA, BRAZIL SIGN 14 AGREEMENTS

Relations between South American neighbours Argentina and Brazil were consolidated with the signing of 14 agreements during the visit of Brazilian President H. E. Dilma Rousseff to Argentina in January 2011. After a 90-minute meeting with Argentine President, H. E. Cristina Fernandez, and signing agreements on nuclear energy, housing and joint commercial promotion, both G-15 Presidents gave a joint press conference on 31 January 2011.

Affirming this was her first visit to a neighbouring country after assuming office on 1 January 2011, President Rousseff remarked, "It is a great joy for me to be in Argentina. My first visit is to this country because I consider Brazil and Argentina are crucial to transform the 21st century of Latin America. They are the biggest countries of the region and have a great potential that Latin America can use." On her part, President Fernandez stated that she reaffirmed during the meeting a commitment their predecessors began, referring to former Brazilian President Luiz Inacio Lula da Silva and former Argentina President Nestor Kirchner.

Source: Xinhua News Agency, 31 January 2011

KENYA, SRI LANKA SIGN AIR TRAFFIC DEAL

Kenya and Sri Lanka have signed a bilateral air services agreement that allows unrestricted weekly flight frequencies and code-share arrangements, meaning that two airlines can share the same flight. Currently, to get to Sri Lanka from Kenya, one has to go through Dubai before

getting a connecting flight either directly to Colombo or through India. Kenya's Transport Minister, Amos Kimunya, and Sri Lanka's High Commissioner to Kenya, J. P. Dissanayake, signed the agreement on 20 January 2011. "The agreement is expected to open up trade opportunities between our two states, especially trade in rubber products, processing and packaging of tea and the textile industry," said Mr. Kimunya.

Trade between the two countries has been in favour of Kenya. Kenyan exports to Sri Lanka in 2007 stood at about 500 million shillings, with Sri Lanka exporting goods and services worth 225 million shillings to Kenya. Kenya's exports to Sri Lanka include natural sodium carbonate, salt and pepper and the airline agreement offers exporters a chance to sell more. Imports from Sri Lanka include natural rubber, cocoa and general industrial machinery.

Source: Business Daily Africa, 20 January 2011

BRAZILIAN MINING FIRM TO INVEST IN MALAYSIA

Brazil's Vale International, the world's largest iron ore mining company, is expected to start building an iron-ore complex in Malaysia at a cost of over US\$ 2 billion. The chief minister of Malaysia's Perak state where the project will be located, Zambry Abdul Kadir, said that the firm would start developing the complex from July 2011. This will be Vale's largest factory outside Brazil and would include a jetty at the coastal town of Lumut. Vale is building ore distribution points in Oman and Malaysia to handle Chinamax carriers, which are 400,000-tonne iron ore carriers that are expected to cut costs for Vale and lower freight rates for the entire industry.

Source: Reuters, 21 January 2011

SRI LANKA, INDONESIA TO COOPERATE IN MARINE FISHERIES SECTOR

Sri Lanka and Indonesia have agreed to cooperate to expand trade in marine products, especially sea cucumber, seaweed, finfish and ornamental fish, for international markets. In addition to involving related government agencies, the private sector will also participate in the implementation of this cooperation, which will include trainings, exchange of experts and joint ventures.

The agreement was formalized in a meeting held between the Indonesian Minister of Maritime Affairs and Fisheries, Dr. Fadel Muhammad and the Minister of Fisheries and Aquatic Resources Development of Sri Lanka, Dr. Rajitha Senaratne, on 27 January 2011 in Colombo. The meeting will be followed by a joint assessment on fisheries development under a Memorandum of Understanding between the two ministries. The initiative is considered very important, as Indonesia and Sri Lanka are both maritime nations. Both countries have a common interest in ensuring the sustainability of marine resources, especially those of the Indian Ocean.

Source: Ministry of Foreign Affairs, Indonesia, 28 January 2011.

INDIA, SRI LANKA TO RESUME FERRY SERVICES

G-15 neighbours, India and Sri Lanka, have signed an agreement to start ferry services between the two countries that had been discontinued during the civil unrest in Sri Lanka. The High Commissioner of India to Sri Lanka, Mr. Ashok Kantha and the Secretary of Sri Lanka's Ministry of Ports and Highways, Ms. Sujatha Cooray, signed a memorandum of understanding to this effect on 8 January 2011. The MoU envisages ferry services between Colombo and the south Indian port of Tuticorin, and Talaimannar in northwestern Sri Lanka and Rameswaram in southern India. A joint statement issued thereafter said, "Resumption of these services signals an important step in the restoration of the traditional links between the two countries." The Shipping Corporation of India has already received expressions of interest from potential ferry service operators in India.

Source: Lanka Business Online, 8 January 2011