

## **ALGERIA-BRAZIL SIGN AGREEMENT ON LIQUEFIED NATURAL GAS**

Algeria will supply liquefied natural gas (LNG) to Brazil under an agreement signed on 26 May 2007 between the Algerian state-owned firm Sonatrach and Brazil's Petrobras. Sonatrach chief Mohamed Meziane and his Brazilian counterpart, Sergio Gabrieli signed the agreement in Algiers in the presence of Algerian Energy Minister Chakib Khelil. Delivery is to be made via two floating terminals, one in Guanabara in the Rio de Janeiro region and another in Pecem in Ceara state. The two companies also signed a memorandum of understanding covering development, exploration and commercialization of oil and gas in the two countries.

Source: AP, 27 May 2007

## **IRAN TO ASSIST MALAYSIA BUILD STRATEGIC OIL PIPELINE**

The National Iranian Oil Company (NIOC) is helping finance an estimated \$14 billion oil pipeline across northern Malaysia, ostensibly to save three to four days of sea travel and shipping costs. Ports and refineries are to be built on the west and east coasts of northern Malaysia to transship oil via a 200 mile (320 kilometer) pipeline. The costs are likely to be shared between the NIOC and several Malaysian private and state companies, but there is speculation that one of China's state oil companies will invest in the scheme.

According to analysts, the pipeline project achieves an important strategic objective for oil suppliers and purchasers in the region as it will enable oil suppliers to by-pass the Malacca straits -- always pirate prone and congested and now seemingly vulnerable to blockage by ship-hijacking terrorists, or a military confrontation. At present, almost half the world's oil tankers pass through the narrow Strait of Malacca on their way from Middle Eastern and North African oil fields to East Asia.

Source: World Politics Review, 17 May 2007

## **INDIA, SRI LANKA UPGRADING TRADE AND INVESTMENT TIES**

News agency reports from New Delhi, quoting senior diplomatic sources, indicate that India and Sri Lanka are working on upgrading their economic relations through a Comprehensive Economic Partnership Agreement (CEPA) that would expand their existing free trade agreement (FTA) to include trade in services and promote investment.

According to the PTI news agency, the High Commissioner of Sri Lanka to India, Mr. C R Jaysinghe has confirmed that the text of CEPA negotiations and text of the framework agreement was very nearly complete. The CEPA would liberalize trade in services and investments by updating existing agreements on investment protection, avoidance of double taxation and prevention of fiscal evasion. The CEPA will seek to prune down the negative list in the FTA, while relaxing rules of origin. Mr Jaysinghe stated that officials

of Sri Lanka and India were currently focusing on Mutual Recognition Agreements pertaining to professional qualifications.

Source: [www.bilaterals.org](http://www.bilaterals.org), 31 May 2007

## **SENEGAL SIGNS BIO-FUEL AGREEMENT WITH BRAZIL**

President Abdoulaye Wade of Senegal and President Luiz Inacio Lula da Silva of Brazil officially signed a Biofuel Cooperation Agreement in Brasília on 16 May 2007. During the signing of a series of accords, one of which was aimed specifically at strengthening Senegalese human resources in the bioenergy sector and at transferring technologies, the Brazilian leader stressed his country's willingness to share its world leading biodiesel and ethanol expertise with the countries of the 'Green OPEC': "Under the leadership of Senegal, we want to extend this initiative to other non-oil producing African countries." President Lula stressed that the initiative was part of a larger South-South strategy on biofuels that would eventually involve NEPAD.

During a press conference after the meeting, Mr Wade added that his country would first focus on the production of biodiesel from oil-seed crops such as jatropha and ricin.

Source: [HTTP://biopact.com](http://biopact.com), 17 May 2007

## **INDIA-MEXICO CONCLUDE AGREEMENT ON INVESTMENT PROTECTION**

India and Mexico have signed a ten-year bilateral investment promotion and protection agreement (BIPPA) to promote flow of investment to both countries and allow free repatriation of funds by investors. Indian Finance Minister Mr. P. Chidambaram and Mexican Minister of Economy Dr. Eduardo Sojo Garza-Aldape signed the agreement on 21 May 2007 in New Delhi. Under the agreement, both countries will accord the same treatment to investors from the other country as given to domestic investors and those from any other country.

India and Mexico also signed a memorandum of understanding on the establishment of a bilateral "High Level Group" that will facilitate investment and economic cooperation between the two nations, besides exploring possibilities of entering into a Preferential Trade Agreement to improve bilateral trade. The Indian Commerce and Industry Minister Mr. Kamal Nath and the visiting Mexican Economy Minister signed the MOU. Inviting Indian industry leaders to invest in Mexico, Dr. Sojo said Mexico, being strategically located as a gateway to North America, was full of opportunities for Indian industrialists.

Source: The Hindu, 22 May 2007