



**GROUP OF FIFTEEN**

The Summit Level Group of Developing Countries

## **PRESS REPORTS**

Mutual Economic Cooperation between G-15 Member Countries –  
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## **FIRST AFRICA-SOUTH AMERICA SUMMIT**

Pledges of South-South cooperation in a number of economic sectors as well as other strategic areas such as peace and security were some of the outcomes of the first Summit level meeting of Heads of States and Government from Africa and South America held in Abuja during 26-30 November 2006.

With several Heads of State from both regions in attendance, the summit was co-chaired by President Olusegun Obasanjo of Nigeria and President Lula da Silva of Brazil. Of the three documents that emerged from the summit, the Abuja Resolution established the Africa-South America Cooperative Forum (ASACOF) for collaboration in trade and investment, agriculture, energy, technology, water resources and tourism. It was also agreed to immediately activate all bilateral treaties between their countries, particularly in the areas of agriculture, trade and air services.

Other documents adopted at the summit included the Abuja Plan of Action and the Abuja Declaration under which the leaders committed themselves to cooperate in diverse areas such as eradication of poverty, science and technology, non –proliferation of nuclear weapons, respect for rule of law, multilateralism, combating illicit trafficking in arms, democracy, gender mainstreaming and environmental protection. The leaders also stressed the need to work together to overcome racial prejudice, UN reform, expansion of the UN Security Council and for a more equitable world economic order.

Meetings of experts and a ministerial preceded the Summit. Heads of State and Government appreciated the role of the African Union and the South American Community of Nations in the preparatory meetings. It was agreed that the Africa-South America Summit would be held every two years in Africa and South America by rotation. The host for the next Summit in 2009 will be the Bolivarian Republic of Venezuela.

SOURCE: *Press release of the African Union*

## **NIGERIA - BRAZIL TRADE ON THE RISE**

Trade relations between Brazil and Nigeria have been impressive of late, according to a senior Nigerian diplomat. Mr. Kayode Garrick, Nigeria's envoy to several South America countries was speaking to reporters on the sidelines of the ongoing Africa-South America summit in Abuja. Trade statistics show that Nigeria' merchandise exports to Brazil have risen sharply from \$1.5 billion in 2003 to nearly \$5 billion in 2005. This makes Nigeria the fifth highest exporter of goods to Brazil after the US, Germany, Argentina and China, ahead of neighbours like Chile and Mexico.

By contrast, Brazil's exports to Nigeria have risen slowly, reaching just \$643,000 in 2005. However, there is considerable interest in Nigeria in certain products that Brazil has to offer. According to Mr. Garrick, "in the area of energy for example, Brazil has developed its bio-fossils and the use of ethanol as an alternative to fuel. This is the kind of diversification Nigeria could learn from."

SOURCE: *This Day*, 28 November 2006

## **INDIA-AFRICA TECHNICAL COOPERATION – SOME HIGHLIGHTS**

India, under its four-decades old ITEC (Indian Technical and Economic Cooperation) programme, has shared a wide range of training facilities and project expertise with African countries. In monetary terms, India has spent over a billion dollars in its cooperation programmes with Africa and continues to provide training annually to almost 1000 officials in various capacity building programmes. (India spends US\$ 500 million annually on ITEC activities.) Government Of India's activities under the ITEC are an important vehicle for promoting *inter alia* South-South linkages with Africa.

With a view to providing African countries with access to low-cost capital, India has offered concessional lines of credit. Taken together with lines of credit to individual countries, India's offers of US\$ 200 million for NEPAD and US\$ 500 million for TEAM-9 (Techno-Economic Approach for African Movement - an initiative that brings together Indian and 9 countries of West and Central Africa) add up to almost US\$ 1 billion. This is being used to build productive partnerships in sectors like railways, construction, electrification, irrigation, food-processing, agricultural machinery and cotton spinning. Apart from actual project implementation, India also provides assistance for project related activities such as feasibility studies and consultancy services.

SOURCE: *Permanent Mission of India to the United Nations offices in Geneva*, 6 November 2006

## **ALGERIA–NIGERIA GAS PIPELINE PROJECT PROPOSAL**

Discussions are on for a 4500-kilometer pipeline running from Southern Nigeria, across the African state of Niger to Algeria and then under the Mediterranean Sea to Spain. According to the Algerian Energy Minister Chakib Khelil, the pipeline “will furnish gas to Europe as of 2015.” The EU, on its part, according to EU Energy Commissioner Andris Piebalgs, was ready to contribute to the financing of the project. Both ministers were speaking to reporters after their meeting held in the western Algerian city of Oran on 25-26 November 2006. Cost estimates of the mega-project range from \$7-10 billion.

Algeria is Africa's leading and the world's sixth largest gas-producer, while Nigeria is the continent's largest oil producer. Nigeria's interest in the project was informed by the country's determination to raise more revenue from gas than crude. The initiative will add to the increasing number of gas links between Africa and the EU as the latter seeks to reduce its dependence on Russian gas supplies.

Source: AFP and [www.bbj.hu](http://www.bbj.hu), 27 November 2006

## **MALAYSIA AND VENEZUELA EXPLORE NEW AREAS OF MUTUAL ECONOMIC COOPERATION**

Malaysian Prime Minister H. E. Abdullah Ahmad Badawi arrived in Caracas on Sunday 17 December to kick off a three-day official visit, which coincides with the 20th anniversary of the Malaysia-Venezuela diplomatic relations established on Dec. 18, 1986.

According to reports, much of the discussions between the PM and his Venezuelan counterpart, president Hugo Chavez, centered around new areas of mutual economic

cooperation in sectors where each country had a comparative advantage over the other. Venezuela is the world's fifth largest oil exporter while Malaysia has good expertise in oil exploration through its largest public sector firm Petronas. "We're making a strategic alliance ... we want Petronas to come to the Orinoco Belt" to explore and produce oil in that region of eastern Venezuela, which is rich in hydrocarbons deposits, President Chavez said, after his first meeting with Prime Minister Badawi. The construction of an oil refinery in Malaysia was also being contemplated. The Venezuelan leader said his government also wanted to leverage Malaysian expertise in urban planning and food and biodiesel production.

The Foreign Minister of Malaysia, Syed Hamid Albar who is accompanying Malaysian Prime Minister said his Venezuelan counterpart Nicolas Maduro was keen to learn how Malaysia could manage to reduce its poverty rate drastically from more than 50 percent in the early 1970's to only 5.7 percent last year. The two countries were to establish a joint economic and social development council next year, Syed was quoted as saying. The council, which will consist of representatives from the government and private sectors of both countries, will strengthen bilateral economic ties and also look into ways to help lift poor Venezuelans out of poverty, said Syed.

President Chavez had visited Malaysia in August, earlier this year.

Source: EFE via COMTEX, Dominican Today and Press Release of the Malaysian Foreign Ministry.

## **INDIA TO SIGN GAS SUPPLY CONTRACT WITH IRAN**

The Petroleum Ministry in India has approached the Indian Cabinet recommending that the Government of India accept Iran's offer to supply liquefied natural gas (LNG) linked to an oil price level of \$55 per barrel compared to the current market price of \$60 and conclude a long term agreement for the supply of gas with Iran. India had earlier concluded a gas deal with Iran in June 2005 for the annual supply of 5 million tonnes of LNG for a 25-year period. The revised Iranian offer was conveyed to Delhi by visiting Iranian Foreign Minister Manouchehr Mottaki last month. The Iranian Foreign Minister had revealed to the press that during his meeting with Prime Minister Manmohan Singh in Delhi last month, Iran had offered to double the size of its gas deal with India from the negotiated 5 million tonnes annually.

Iran has the world's second largest gas reserves while India needs to import large amounts to feed its fast growing economy, and to ensure the generation of adequate electricity and power. The Indian gas deal with Iran forms part of a massive project within which Indian companies will also be involved in the exploration and development of certain sections of Iran's huge Yadavaran fields.

Source: Rediff NEWS, December 7, 2006

## **NIGERIAN AND INDONESIAN FIRMS INK PACT ON ENERGY PROJECT**

An agreement to ensure the early implementation of a \$1.2 billion gas to methanol project in Nigeria was signed between Viva Methanol Nigeria Ltd. and an Indonesian firm PT ELNUSA in the presence of Nigeria's Minister of State for Petroleum Resources, Dr Edmund Daukoro and the Indonesian Minister of Energy and Mineral Resources, Mr Purnomo Yusgianioro.

The project would ensure the production of 1.82 million tones per annum of methanol at the Lagos free trade zone and would also guarantee the development of Di-Methyl- Ether (DME) and fertilizer plant in Indonesia.

Speaking at the signing ceremony, the ministers lauded the two companies coming together to enhance the economies of the two nations and expressed hope that the project would further strengthen the economic ties between Nigeria and Indonesia.

Source: [www.ngrguardiannews.com](http://www.ngrguardiannews.com), December 18, 2006.

## **EGYPT AND INDIA STRENGTHEN BILATERAL COOPERATION**

H.E. Mr. Ahmed Aboul Gheit, Minister of Foreign Affairs of Egypt, paid an official visit to India on 15-17 December 2006 at the invitation of H.E. Mr. Pranab Mukherjee, India's Minister of External Affairs. This was the first visit by an Egyptian Foreign Minister to India since 1997. The Minister's delegation included senior officials from the Government of the Arab Republic of Egypt and a number of leading Egyptian businessmen and industrialists.

With India and Egypt keen on strengthening bilateral cooperation, "wide-ranging discussions were held in a friendly atmosphere and both sides exchanged views on various bilateral, regional and international issues of mutual interest," Indian government sources said. Egypt and India represent two of the most ancient civilizations in the world. In modern times they have been closely associated in the fight against colonialism and racial discrimination. They are founder members of South-South cooperation groupings like the NAM and the Group of Fifteen.

Several agreements were also signed during the visit. They included pacts to increase cultural cooperation, cooperation in science and technology, agriculture and bilateral air services.

Source: Arab News, December 17, 2006 and Press Release of the Ministry of External Affairs of India.

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