

India in Africa

Indian Assistance to Niger for Holding AU Summit

Dipanjan Roy Chaudhury*

India has for the first time granted financial support of US\$15mn for the African Union Summit, held in Niger in early July 2019, infusing fresh energy into its focus on Africa within weeks of the re-election of the Narendra Modi-led NDA. The cheque of US\$15mn grant was handed over by India's envoy to Niger to the country's Deputy Foreign Minister.

Sub-Saharan Niger hosted the African Union Summit for the first time, and India deemed it fit to support the summit through the grant, said officials.

India is also building a convention centre in Niger as part of a plan to build chain convention centres across 20 African states as signature infrastructure projects which were hitherto expertise for China.

Ahead of India's grant to Niger, V Muraleedharan had made Africa his first stop as Minister of State for External Affairs when he attended Nigeria's Democracy Day celebrations. India's relations with Nigeria were elevated to 'strategic partnership' in 2007. The two countries also have strong defence cooperation. With an annual bilateral trade of US\$11.76bn in 2017-18, Nigeria is India's largest trading partner in Africa, and India is Nigeria's largest trading partner globally.

The bilateral trade amounted to US\$13.89bn in 2018-19, up 18.8 percent year-on-year. Indian companies are among the largest investors in Nigeria and employ a

The grant to Niger is in line with India's development partnership model for Africa — one which is based on local requirements



large number of Nigerian nationals. Nigeria is also the fifth-largest supplier of crude oil and the second-largest supplier of LNG to India.

India-Africa trade has multiplied and diversified in the past 15 years. India is the third-largest export destination for Africa. India sources nearly 18 percent of its crude oil and also its LNG requirement from Africa. Bilateral trade stood at US\$62.16bn in 2017-18, up 21.56 percent year-on-year. Indian investments are steadily growing in a range of sectors in Africa and India has become the fifth largest investor in Africa, with cumulative investments of more than US\$54bn.

Recently, a senior Indian official said that India's partnership with Africa was free of conditionalities and demand-driven. "India's partnership with Africa is based on a model of cooperation that is responsive to the needs of African countries. It is demand-driven and free of conditionalities. It is based on our history of friendship, historical ties

and a sense of deep solidarity. As Prime Minister has underlined, African priorities are our priorities," TS Tirumurti, Secretary (Economic Relations), External Affairs Ministry said in a speech on the occasion of Africa Day at the Institute of Defence Studies and Analyses.

The first term of the Modi government saw an unprecedented intensification of India's political engagement with Africa, with 29 visits to African countries at the level of President, Vice President and Prime Minister apart from several ministerial visits. African leaders too visited India in larger numbers in the past five years.

After the visit of 41 heads of state or government who attended the India Africa Summit in 2015, India hosted more than 35 leaders from Africa at various events. India has already opened six of the 18 additional missions it intends to set up in Africa. President Ram Nath Kovind is scheduled to visit West Africa in 2019.

* Senior Assistant Editor, Economic Times. The article appeared in the Economic Times, on July 12, 2019

India's Export Push

The Kenyan National Chamber of Commerce and Industry (KNCCI) Chief Executive Angela Ndambuki said Kenya needs to encourage Indian firms to set up local manufacturing bases for exporting goods back to their countries, through incentives such as export processing zones.

"Strengthened business ties are key to enhanced Kenya exports to India and this could be in form of manufacturing investments or their enablers," said Ndambuki at the second International Indo-Africa Business-to-Business Trade Expo in Nairobi.

Indian High Commissioner to Kenya, Rahul Chhabra said such top-level state-to-state meetings were working towards addressing the imbalance issue. (BD, 20.08.19)

Vagmi Cotton to Invest in Zambia

The Zambian Vice President Inonge Wina has held talks with India's Shree Vagmi Cotton Limited, which will invest US\$7mn in the next three years to build a factory that would process cotton lint in 2019 alone.

Wina who was accompanied by Zambia's High Commissioner to India Judith Kapijimpanga had since toured Shree Vagmi Company Cotton Factory in Indore, in the Indian state of Madhya Pradesh.

Amit Dwivedi, Vagmi Company Chief Executive Officer said that in 2020, his company would evolve from cotton ginning to a full textile which would resuscitate the once vibrant textile industry in Zambia. (TIO, 17.09.19)

India Offers LOCs to Ghana

The EXIM Bank of India, with the support of the Government of India has offered two concessional Lines of Credit (LOCs) worth US\$180mn to the Government of Ghana.

Of the amount US\$150mn is for the strengthening of Agriculture

Zambia-India Seek More Bilateral Trade

Zambia and India have called for the increase and deepening of bilateral trade which stood at US\$833mn in 2018-2019 and was largely dominated by exports from Zambia. The two countries have stressed the need to expand the basket of traded items, adding that trade and investment cooperation should be expanded and deepened, by encouraging public and private companies to explore trade and investment opportunities, as well as improve the ease of doing business in their respective countries.

Zambia President Edgar Lungu and Indian President Ram Nath Kovind acknowledged the steady inflow of Indian private investment into Zambia, in the areas of mining, infrastructure, manufacturing and pharmaceuticals, and agriculture. The two Heads of State said this when they held bilateral talks, at the ongoing State Visit to India where President Lungu was accorded a ceremonial reception at Rashtrapati Bhavan. (LT, 22.08.19)



Mechanisation Service Centres to achieve food security in Ghana, while US\$30mn is to upgrade the Potable Water Supply System in Yendi Town. The agreements, which were reached on April 05, 2019 were signed by the Minister of Finance, Ken Ofori-Atta, and Pushpesh Tyagi, the EXIM Bank of India Resident Representative based in Abidjan, in Accra.

With the signing of the two concessional LOCs, India's developmental cooperation with Ghana through bilateral concessional LOCs and Indian LOCs offered through East African Community of West African States (ECOWAS) Bank for Investment and Development (EBID) aggregates to US\$433.26mn. (BG, 15.08.19)

Business Opportunities in Ghana

Three companies from India are exploring business opportunities in Ghana in the shipping, electronics and weapon space. The firms – Mazagon Dock Shipbuilders Limited (MDL), Bharat Electronics Limited and Ordnance Factory Board, are participating in the maiden International Maritime Defense

Exhibition & Conference in Accra, where they seek to foster collaborations with the government and the private sector in the supply and utilisation of their products in the country.

While Mazagon Dock Shipbuilders Limited (MDL), an international shipbuilder is hoping that the Ghana Navy and the government will allow them to share their expertise, Bharat Electronics Limited is hopeful that it deplores its skills in the education and trade facilitation areas.

Ordnance Factory Board, on the other hand, has expressed its willingness to work with the Ministries of Defence and the Interior to retool the various security services.

The Director in-charge of Shipbuilding at MDL, Rtd Admiral A.K. Saxena, said on the sidelines of the conference that the company was ready to assist the government to develop the Tema Shipyard and Drydock into multi-purpose facilities that could design ships and accessories for the West African market. (GW, 27.07.19)

Source: BD: Business Daily; BG: Business Ghana; GW: Ghana Web; LT: Lusaka Times; TIO: The Independent Observer

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