

India in Africa

Global Partnership Summit

India-Japan-Africa Partnership to Usher in New Era of Global Development

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India has a long history of development cooperation in Africa in capacity building and in contributing towards development of social sector through a few unique programmes, such as Pan Africa e-Network. Indian companies have a sustainable presence in the African region. Moreover, India has a distinction in providing affordable, appropriate and adaptable technology, in working in project execution and in building technical capacities in many developing countries, especially in Africa.

The Exim Bank of India is the lead organisation for carrying out the development credit tasks in overseas countries. Exim Bank's Line Of Credit (LOC) affords a risk-free, non-recourse export financing option to Indian exporters. Besides promoting India's exports, Exim Bank's LOCs enable demonstration of Indian expertise and project execution capabilities in emerging markets.

At a time when India is readying to make a mark in the global arena as a manufacturing hub, to invest abroad for seeking resources, markets, efficiencies or even strategic assets, Exim Bank of India encourages Indian companies to invest abroad, through its Overseas Investment Finance programme.

The Asia-Africa Growth Corridor (AAGC) initiative is part of Indo-Pacific freedom corridor being put in place by India and Japan, with an eye on counterbalancing China's One Belt One Road (OBOR) initiative.

In financing this corridor, Exim Bank of India can play a major role through its aforesaid funding programmes because AAGC offers tremendous opportunity for an



association of Indian supplies, expertise and services as is apparent from the project features outlined below.

The AAGC, based on India's decades-old goodwill in Africa and Japan's financial resources, aims to be an efficient and sustainable mechanism for linking economies, industries and institutions, ideas and people among, and between Africa and Asia.

The AAGC would consist of four main components: development and cooperation projects; quality infrastructure and institutional connectivity; capacity and skill enhancement; and people-to-people partnerships. These four components are complementary to each other and calculated to promote growth and development.

India's Africa policy draws strength from India's support for democracy, anti-colonialism, anti-racism, and India's contribution by way of developmental aid and participation in the UN peace keeping operations in Africa.

At the 2015 India-Africa Forum Summit, India extended US\$10bn aimed at development projects over five years and offered US\$600mn in grant assistance, including an India-Africa development fund of US\$100mn.

For AAGC projects, India would need to be funding at least its own supplies and services through long-term, low-cost credit. For Indian banks and Exim Bank of India, it would be a big challenge, particularly because the commitment could be considerably large in comparison to their respective balance sheet size. However, government assistance should be forthcoming and the initiative in its present form is only a vision document.

Therefore, there is enough time for planning for its timely implementation in all its aspects, including financing by Indian banks spearheaded by the Exim Bank.

In recent years, Indian project exporters have secured diverse contracts exemplifying their versatility and technological capabilities. Exim Bank has been one of the prime movers in encouraging project exports from India

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India-Ethiopia Bilateral Ties

India and Ethiopia have signed agreements on trade, communication and media to boost bilateral ties. The partnership between India and Ethiopia rests on civilisational ties and cultural bonds with India being amongst top Trade, Investment and Development Partner of Ethiopia, and is the largest recipient of India's concessional Lines of Credit in Africa, with commitment of over US\$1bn.

India is currently the second largest foreign investor in Ethiopia with approved investment of US\$4.78bn, 40 percent of which is in field of commercial agriculture. It further plays important role of capacity building in Ethiopia in Indian Technical and Economic Cooperation (ITEC), Education, Science and Technology and Defence.

(goo.gl/qg23Py, 06.10.17)

Ghana Partners Trained by EXIM

Officials of the Export-Import Bank of India, led by the Deputy Managing Director, Debasish Mallick visited Ghana on November 24, 2017, to undertake phase one of institutional capacity building for the Ghana EXIM Bank.

The Chief Executive Officer (CEO) of the Bank, Lawrence Agyinsam said, "We are confident that as a result of this meeting, the visiting team will get a better understanding of the government's vision of creating Ghana beyond aid within the context of trade and investment. The vision to make Ghana's economy an export led one has been a major economic policy of successive governments in the country".

(goo.gl/ihv8S2, 14.11.17)

Steady India-Africa Synergy

From 2006, India's annual trade with Africa has averaged at about 8.4 percent of its global trade, a relatively high amount compared to the other big Asian economies. India has steadily increased its trade with Africa, reaching a peak of US\$73.4bn in 2014, according to International Trade Centre data.

Africa, as a whole, has always enjoyed a positive trade balance from its trade with India. Africa's trade balance with India was a

Thriving India-Africa Trade Prospects

President of Uganda Yoweri Museveni has acknowledged the big potential for cooperation in business between India and Africa. The President was addressing a business conference of the Confederation of Indian Industry (CII)-Exim Bank Regional Conclave on India-East Africa Partners in Development.

The annual conclave on India-Africa partnership project is a platform for enhancing cross-border partnership

building, at the institution, government and enterprise levels. The conclave facilitates discussions for bilateral, economic and business capabilities. The President said the vastness of the market between India and Africa would be advantageous to both parties if utilised fully.

(goo.gl/gGhy3t, 22.10.17)



positive US\$4.1bn in 2016 and at its highest, it was US\$16.4bn in 2011. From 2006 till date, the African continent has in fact accumulated a net positive US\$99.1bn trade balance with India.

(goo.gl/gGhy3t, 22.10.17)

India-Kitui County Alliance

India will partner with the Kitui County Government in Kenya to explore markets for green grams produced under the 'Ndengu Revolution', a flagship project for food and wealth creation. County Governor, Charity Ngilu in her discussion with the India High Commissioner, Suchitra Durai also pitched for broad-based cooperation to access India's technology with a view of transferring this to Kitui.

Durai also expressed her willingness to collaborate with the Governor in irrigation, training and creating links for Kitui residents to feed themselves. She accepted Ngilu's invitation to visit Kitui to understand the challenges and opportunities that are available in the county.

(goo.gl/Uj6qYb, 26.12.17)

Enduring Support to IBSA Fund

Meeting in Durban, South Africa, during the 8th India-Brazil-South Africa (IBSA) Ministerial Trilateral Commission, the Ministers of Foreign Affairs of the three countries signed an agreement to renew and ensure

the continuity of their contributions to the India, Brazil and South Africa Facility for Poverty and Hunger Alleviation (IBSA Fund) managed by the United Nations Office for South-South Cooperation (UNOSSC).

"The successes of the Fund have provided IBSA the best return on investment in terms of cooperation and practical outcomes", said H.E. Maite Nkoana-Mashabane, Minister of International Relations and Cooperation of South Africa.

(goo.gl/vi1ANf, 18.10.17)

India-Djibouti Accord Signed

India and Djibouti have signed an agreement to establish regular Foreign Office-level bilateral consultations between both the countries.

The agreement was signed during Indian President Ram Nath Kovind's visit to Djibouti and Ethiopia. In recent times, Djibouti has acquired major significance as a result of geopolitical developments and presence of military bases of US and China side by side.

Bilateral trade between the two countries is on increase and is in India's favour. In 2014-15, bilateral trade stood at US\$239.34mn (India's exports were US\$237.96mn and India's imports US\$1.47mn). Most of trade with Djibouti actually serves growing markets in Ethiopia.

(goo.gl/NqnB87, 05.10.17)