

India in Africa

India-Africa Eye Huge Boost

Indian and African leaders agreed to sharply increase bilateral trade to US\$90bn by 2015 as the two sides discussed potential deals. The South Asian country is aiming to boost its trade and diplomatic ties with Africa where China has already made major inroads by striking multiple deals, building infrastructure projects and offering soft loans.

The goal of achieving US\$90bn in trade between India and Africa in three years "is a significant improvement, considering the fact that a decade ago the trade was US\$3bn", Indian Commerce Minister Anand Sharma said.

Sharma was speaking at the first day of a three-day India-Africa meeting in New Delhi where organisers said more than 250 projects worth close to US\$30bn were being discussed.

Over 600 African delegates participated in the India-Africa Forum Summit, organisers said, while over 500 Indian business delegates also attended the meeting.

India has been turning to the one-billion-strong African continent as it looks to diversify its energy sources and reduce its dependency on the Middle East which supplies two-thirds of its energy imports.



Africa, despite being home to most of the world's poorest countries, is richly endowed with oil, minerals and other natural resources. In 2011, the two sides had set a target of US\$70bn trade to be achieved by 2015. Bilateral trade totalled US\$62bn in 2011.

At the meeting, the ministers launched the India-Africa Business Council to be co-chaired by Indian Telecom Czar Sunil Bharti Mittal, Head of Bharti Group, and Dangote Group President Alhaji Aliko, known as Africa's "cement king". The council will propose ways to increase economic and commercial ties between India and Africa.

While China prefers government-to-government deals, Indian investment has been mainly in the private sector, notably in telecom, pharmaceuticals and manufacturing.

In a major purchase, Bharti, India's biggest cellular operator by subscribers acquired mobile operations in more than a dozen African countries in a US\$10.7bn deal in June 2010.

India, which deployed its navy in 2008 as part of an international armada fighting piracy in the Indian Ocean and the Gulf of Aden, is also ramping up its security links with Africa.

— The article appeared in Taipei Times, on March 20, 2012

Africa-India to Boost Science Collaboration

India and Africa have agreed to boost scientific collaboration at a high-level meeting of science ministers from both countries. The ministers identified four areas for closer ties: capacity building; science, technology and innovation for development; knowledge transfer and adoption; and identifying common research priorities for the future.

They agreed to set up a range of collaborative strategies including creating fellowships for African researchers in India and exchange visits, the holding of joint workshops, and measures to foster new academic and industrial links.

They also agreed to jointly strengthen selected African institutions, to begin over the next three years with the Institute Pasteur in Tunisia, Benin's Institute for Mathematics and Physical Sciences, and the School of Science and Technology of Masuku in Gabon.

On the side-lines of the conference, ministers from Mozambique signed a memorandum of understanding with India's National Innovation Foundation to help Mozambique establish a similar foundation that would identify and assist grassroots innovations.

(<http://allafrica.com>; 12.03.12)

Mauritius Top Destination for India

Mauritius has emerged as the favourite destination for overseas investment by Indian corporates, replacing Singapore, accounting for US\$2.27bn outward foreign direct investment (FDI) from April 2011 to February, 2012. The island nation is also the major source of FDI inflows into India, accounting for about 40 percent of total flows.

In 2010-11, Indian FDI into Mauritius stood at US\$5.08bn as against US\$3.99bn to Singapore. In 2008-09 and 2009-10, Indian FDI outflows to Singapore totalled US\$4.06bn and US\$4.20bn, respectively, while it was US\$2.08bn and US\$2.15bn in Mauritius, respectively.

Total outward investments by Indian corporates from April 2011 to February 2012 stood at US\$8.86bn as against US\$16.84bn for the whole of 2010-11 financial year.

(Zee News, 06.03.12)

India-Malawi Trade Grows

India and Malawi expressed happiness that after a decline in bilateral trade in 2010-11, it has shown a strong growth in the current fiscal year. In a bilateral meeting the Union Minister of Commerce and Industry, Anand Sharma and his Malawi counterpart John Bande stressed on the need to work on increasing the trade volume and expanding the basket of products to mutual advantage.

Referring to the recent commitment of revising the trade target with Africa to US\$90bn by year 2015, Sharma said that "there is a need to strengthen the trade relationship between the two sides through building of trade-related capacity. Our leaders had set a target of US\$70bn by 2015 but we can note with satisfaction that last year we crossed US\$60bn".

(OIFC, 29.03.12)

Airtel Plans Cash Transfers

Bharti Airtel has unveiled a mobile money platform in Uganda, which now links it to its Tanzanian and Ugandan outfits and setting stage for cross-border money transfer.

Targetting Anti-malarial Market

It was a decision grounded in practical reasons, but Bliss GVS Pharma's strategy to sell its anti-malarial medicines through retail channels in African countries seems to have worked for it. It managed to steer away from large players including Indian drug-makers like Cipla and Ipca, active in the global-funds-driven government tenders market in these countries.

But that is poised to change – the African anti-malarial drugs market is set to get stirred. Bliss is preparing to make a play for the funds-driven segment, and companies like Cipla are eyeing the private, retail market. Africa accounts for over 80 percent of the global malaria incidence.

Positioning itself in a niche segment, the company targeted 26 African markets, with the exception of Botswana and South Africa. *(BL, 22.02.12)*



Michael Okwiri, Vice President for Corporate Communication at Airtel Africa, said that the firm was creating a seamless money transfer service across East Africa.

The company, which has 16 operations in African countries, is seeking to reap from increased trade in the region following the formation of the East African common market.

Airtel upgraded its Ugandan money transfer service following a revamp of its Tanzania service in December 2011, setting the stage for a seamless regional network.

This has led to some unscrupulous traders to offer the service and charge consumers heavily. Money transfers have not only brought the unbanked into the financial scene, but are a source of revenue for mobile firms. *(BD, 06.02.12)*

Development Ties with Africa

India recently pitched for scaling up economic ties with Africa and underlined its commitment to partnering the continent in fulfilling its developmental aspirations. "We are committed to fulfilling the developmental aspirations of Africa," Minister of State for External Affairs Preneet Kaur told African ministers and business people at the India-Africa business conclave.

Alluding to the two summits India has held with African leaders, Kaur stressed that India's partnership with

Africa was focused on capacity building, technology transfer and economic cooperation. Technology, investment and training constitute the tripod on which the India-Africa partnership rests, said Kaur.

She said the bilateral trade between India and Africa increased by 35 percent in 2010-11. Bilateral trade is currently estimated to be over US\$50bn. *(ET, 19.03.12)*

Empowering African Artisans

The National Institute of Design and the External Affairs Ministry have inked a US\$1mn MoU to train and empower craftswomen in five African countries. This collaboration between the ancient civilizations with rich tradition in craft skills will further strengthen the bonds between India and Africa.

An NID team will visit Zimbabwe to identify 25 craftswomen who would be trained in India in collaboration with New Basket Workshop Foundation, an African NGO. The project aims at women's empowerment through skill enhancement and appropriate marketing through leading Indian brands like Fab India.

India has assured that it will assist Zimbabwe in reviving its textile sector. India will provide skills training and also help in the development of textiles clusters.

(Tol, 31.01.12)

Sources: BD: Business Daily; BL: The Hindu Business Line; ET: Economic Times; OIFC: Overseas Indian Facilitation Centre; Tol: Times of India

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