

ENHANCING INDIA-AFRICA DEVELOPMENT COOPERATION

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Post-colonial India and Africa were drawn together to address similar development challenges facing them. Their bilateral engagements were strengthened when the structured mechanism of the India-Africa Forum Summit was devised. The first summit was held in 2008 in New Delhi, followed by the second in 2011 at Addis Ababa, Ethiopia and the third in this series will be held in October 2015 in New Delhi.

The literature on the development projects implemented by India in Africa in the last several years has either focused on the success stories and silver linings or only on the failures and gloomy forecasts; however, it is important that a balanced perspective be presented on the India-Africa development partnership. Even though, there are several challenges, the window of opportunity is also much bigger.

Moreover, with a new emphasis on federalism, there are renewed efforts to engage Indian states in development efforts in Africa. It was way back in 1953 when the central government issued a circular, which suggested that state governments should sponsor at least two students from East and Central Africa. This spirit is not only being revived but is being extended further to include industrial production, banking services and other economically important services. In this brief note, we explore some of these initiatives.

Over the years, India's engagement with Africa has evolved across five different modalities bringing in trade and investment, capacity building, technology transfer, grants and concessional finance and finally, lines of credit (LOCs). All these five modalities provide a

major pull for wider engagement across the global south in general and Africa in particular. Since these engagements have happened through the Indian missions based in different countries, the wider process may be called as the 'mission approach' and the mechanism for this is the 'development compact', which, in real terms means a development partnership for cohesive and comprehensive engagement.

Trade and Investment: India was one of the first few countries, after the Hong Kong World Trade Organization (WTO) Ministerial in 2005 that announced duty free, quota free access to low income countries. This scheme was announced in 2008 and became fully operational in 2012. India also took measures for supporting trade finance related initiatives. Even during the recession period in 2009-2012, trade between India and Africa grew by nearly 32 per cent annually and India-Africa trade is projected to reach \$90 billion by 2015. In addition, India has also signed bilateral trade agreements with more than 20 African countries. Indian private investment in Africa has also surged over a period of time with major investments in telecommunications, IT, energy, and automobile sectors.

Capacity Building: India has also established scholarships to foster cultural and educational relations with Africa. There is an increasing focus on three main components: providing training in India, sending teams of experts to partner countries and providing equipment for project sites. Support for capacity building in Africa is continuing; India has also taken up larger issues at various multilateral forums including the WTO and the World Intellectual

Property Organization. The multiplicity of fellowships and training programmes in turn has led to the rejuvenation of India's civilian training programmes viz. Indian Technical & Economic Cooperation Programme (ITEC) and Special Commonwealth Assistance for Africa Programme (SCAAP) to offer help to developing countries in Africa. The programme takes into account the regional groupings, such as the African Union (AU), for which additional slots have been made available. India offers various educational scholarships under 21 different schemes. The Indian Council for Cultural Research itself offers nearly 3365 scholarships annually under 24 scholarship schemes, of which 900 are for African countries.

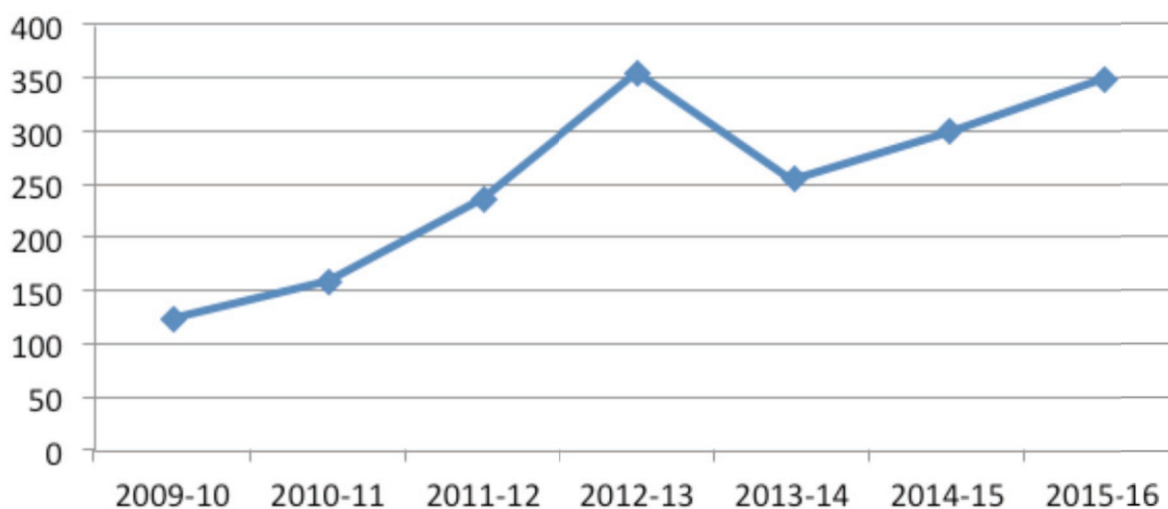
There has been a considerable increase in the Indian government's allocation for SCAAP programme, which rose from \$2.56 million in 2009-10 to \$5.43 million in 2015-16 (Figure 1). India's support to African countries through ITEC training slots was also increased from 1704 in 2008-09 to nearly 4000 in 2014-15. In this context, both Sudan and Ethiopia have been important partners. In 1954, India provided Sudan with training for judicial and other officials and also advised the Sudanese administration on a compensation scheme for expatriate officials. In some mineral-rich countries, Indian engineers have played a key

role in setting up the knowledge base for extractive industries. In 1961, the government of Ethiopia requested assistance in providing facilities for its officials to study programmes related to community development and three such officials went to India for training.

Sharing Technology and Know-how: Indian engineers have played a crucial role in development projects in terms of implementation and creating capacity. For instance, in Ethiopia 12 engineers provided support and training in areas such as irrigation, electrical power and railway management. India helped establish a residential Royal Technical College in Nairobi, in 1956 to provide higher technical, commercial and arts education bearing a cost of \$1.5 million.

India has also been trying to involve the private sector in training programmes. One such initiative was launched in 2010 when the Department of Science and Technology and the Ministry of External Affairs, through the Federation of Indian Chambers of Commerce and Industry, launched the C. V. Raman International Fellowship programme to provide African researchers with opportunities to conduct collaborative research with leading groups in Indian universities and also R&D institutions in areas of S&T. There were a total of 135 slots on offer in 2012.

Fig 4: Budgetary Allocation for SCAAP Programme (in Indian Rupees)



Line of Credit: Of India's global total of \$11.63 billion, New Delhi provided \$6.74 billion lines of credits to Africa alone, which was 57.93 percent of the total during the period 2006 to April 2015. Moreover, several Indian science and technology projects have also been reinforced through other modalities. For instance, India provided \$13.2 million for establishing solar panel production unit outside Maputo in Mozambique. This included not only a line of credit, but also included training for scientists and some grant elements for supporting travel etc. However, distinguishing projects on the lines of modalities alone would not always be possible. In fact, this reinforces the idea of 'development compact', whereby multiple modalities ensure a certain movement towards comprehensive development. Even the deputing of manpower has a spillover effect and this is more so in the areas where engineering or health sector is involved.

Sectoral Support: India and Africa have had a long-term and fruitful partnership in development cooperation in the field of health. India has been a source for reliable and quality medicines and vaccines at affordable rates for large parts of Africa. The cooperation in the field of health care has contributed significantly towards Africa's efforts to achieve the Millennium Development Goals in the areas of combating HIV/AIDS, malaria and other diseases and also reducing child mortality. Tele-medicine has been another major initiative launched by India with the objective of extending facility for high-level expert consultation by African patients with top-level Indian medical practitioners and hospitals too. The cooperation has also extended to other areas of health care, such as development of infrastructure, like hospitals, and building up local capacity in drug production through the setting up of joint ventures. India and Africa have also been major trade partners in pharmaceuticals. In light of the new United Nations Sustainable Development Goals, the cooperation between the two parties in the field of health care and pharmaceuticals needs to

be further intensified and carried forward with greater vigour.

The development cooperation engagement needs to be taken beyond the state-to-state engagement. This would bring in efficacy and accountability. There have been many initiatives in the field of education and other social sectors by various non-governmental organizations and civil societies towards strengthening people-to-people relations. Several African students are enrolled in the Indian private universities. Similarly, various Indian civil society organizations, such as Self Employed Women's Association (SEWA), Bhartiya Samruddhi Investments and Consulting Services, and Participatory Research in Asia (PRIA) are actively functioning in Africa. This effort needs to be further consolidated and enhanced for effectiveness. Development Partnership Administration (DPA) is actively engaged at the Forum for Indian Development Cooperation (FIDC) for enhanced participation of civil society.

In the last two summits, India committed itself to providing greater support for institution building; but there is a need to revisit some of the proposals. The approach for the way forward is to ensure equal commitment from both sides before proposals are finalised. India should share details of its own institutions and the experiences of its own development journey. The cooperation would crucially depend on building resilience of institutions particularly for impact assessment and evaluation.