

Trade & Investment Between India - Africa: A South - South Enduring Engagement

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Abstract

The research dealt with trading relations between India and Africa and how over the period trade and investment strengthened in some areas. This paper analyses the trade and investment areas between India and Africa in three sections. The first section deals with India's exports and imports, the second one with investment and third identifies and addresses the problems and prospects. Further, it suggests strategies to overcome hurdles to foster development in trade and investment. Trade and investment can be fortified in Pan-Africa, region-wise, and bilateral basis. India and Africa have had good socio-cultural, political, economic, and trade relations from ancient times. After the II World War, many Afro-Asian nations gained independence, thus leading to strengthening relations among them. India always supported African countries in their struggle for independence, apartheid, and UN Peace Missions. However, India and Africa have started trade and investment in enduring their engagement further. The conclusion focused on steps may be taken to endure the engagement between India and Africa.

Keywords: Independence; Strengthening; Apartheid; Engagement; Trade; Investment.

INTRODUCTION

India's relations with Africa date back several centuries. India has greater than three thousand years' history of cultural and commercial relations

with Africa. Business relations have a longer history than cultural contacts.¹ The presence of Indians in East Africa is documented in the '*Periplus of the Erythraean Sea*' by an anonymous author written in 60 AD.² A well-established trade network existed between India and the Swahili Coast predating European exploration. The establishment of the Omani suzerainty in the 17th century over Zanzibar and its hinterland reinforced this relationship, and some Indian merchants and business owners who live in Eastern Africa today trace their roots to this period.³ A shared history of colonialism saw large inflows of Indian labourers and migrants to several African countries, with large Indian communities settling in East and Southern Africa as well as the island states of Mauritius and Madagascar.⁴

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Relations have been reflected in the models of trade and investment, people-to-people interactions, cultural exchanges and cooperation at the inter-continental, regional and bilateral levels.

Mahatma Gandhi employed civil disobedience in a non-violent way as an expatriate in the resident Indian communities strive for civil rights in South Africa. After spending several years in South Africa, Gandhi returned to India and put his political beliefs, moral principles, and political leadership talents into action on a big scale. More than three million people of Indian descent reside in Africa, and during the wave of African freedom in the 1950s and 1960s, first Indian Prime Minister Jawaharlal Nehru urged Indians there to completely support the continent's struggle for independence.

Indian Diaspora are present in all regions of Africa. They migrated to Africa for various reasons such as slavery, trade, as indentured workers, as construction workers, and businessmen. The waves of the Indian Ocean have brought together India and Africa since the time when dhows were used by sailors and traders to sail to each other's shores. With the emergence of the colonial era and improvements in shipping technology, contacts between the two continents were enhanced multi-fold. The remnants of large numbers of trading outposts and settlements along the East African coast, along with the discovery of Indian coins, bear testimony to the strong bilateral trade ties. The Indian community is spread across 46 countries of the African continent, and they constitute around 12 per cent of the total diaspora in Africa.⁵

Through its active engagement in United Nations peacekeeping missions in African nations, India has over the years played a significant role in the resolution of conflicts on the continent of Africa. Through the provision of training in its military academies, it has assisted in improving the abilities of thousands of officers from various African countries. To combat the hazards posed by piracy, natural disasters, and tsunamis, the Indian navy has been stationed in the Indian Ocean region. India and African nations share worries about addressing uncertainties brought on by climate change, cyberwarfare, a shortage of energy, food, and water sources.

METHODOLOGY

The current paper would rely on primary and secondary data from the discussions and debates in Parliament, reports of the Government of India, reports of various Governments of African nations,

reports of the EXIM (Export and Import) Bank, reports of the Afrexim Bank, reports by United Nations Conference on Trade and Development (UNCTAD), United Nations Industrial Development Organisation (UNIDO), and Asia Development Bank (ADB) in order to explore the key drivers of India's growing participation in partnership projects in Africa. The article used various primary sources like UNCTAD reports, Exim India Research reports, Afrexim Bank Research reports and Reserve Bank of India reports to arrive at conclusions and make graphical representations. Other analytics were taken from various Ministry of External Affairs announcements, working papers, and publications. Based on the data collected from the documents and databases this paper will analyze the information and arrive at a more comprehensive interpretation of the nuances of trade and investment between India and Africa and propose pathways for enduring engagement.

RESULT

The findings show that, despite the length of the relationship, there is still more room for growth in terms of investment and trade. There are occasionally slowdowns in trade and investment that fall short of projections. Each side has made an effort to advance in a few areas that still require improvement in the days ahead.

DISCUSSION

This research paper examines the main imports and exports in trade and investment on a regional level, as well as the geographic distribution of commerce on a sectoral level and the targeted regions of foreign direct investment. This article examines and evaluates trade and investment between India and Africa, as well as advancements in industries such as IT, finance, logistics, human resource training, and other related areas.

CONCLUSION

The current research paper's conclusion is that there is a lot of room for trade between India and Africa to grow, and that trade has to be planned and prioritised during the forthcoming India-Africa Forum Summit (IAFS). To improve the relationship, further research on investments in the technology, health, and other important industries can be conducted.

IMPORTANCE

Trade relations between India and Africa after independence reflected their shared colonial past, with Europe remaining the main trading partner. However, over the last decade, and with the emergence of the Global South, bilateral trade between India and Africa has recorded impressive growth with India emerging as Africa's fourth-largest trading partner.⁶ To boost the country's trade with the Sub-Saharan African region, the Government of India launched the "Focus: Africa" program under the EXIM Policy 2002-07.⁷ The Focus Africa program's commercial focus is expansive and beyond regular fiscal incentives, whereby export advancement activities are directed by various export promotion councils and business associations with grant under Market Development Assistance and Market Access Initiative Schemes. The program forms part of a larger strategy of India to diversify its trade relationships beyond traditional markets.⁸

As partners, India and Africa have proved eagerness and enthusiasm to enhance relations through innovative ideas that seek to bolster their partnership against the backdrop of South-South cooperation and mutually beneficial opportunities and outcomes. Primary products and natural resources account for around 75 percent of Africa's total exports to India. Africa's exports to India remain essentially concentrated in crude oil and primary commodities, while India's exports to Africa are more diversified and include manufactured and technological content products and these two products have accounted for about 40% of total exports into African markets in the last five years.⁹

The three-pronged development cooperation policy of India for Africa includes links at the bilateral, regional, and pan-African levels. The Ministry of External Affairs' Economic and Coordination Division was established by the Indian government in 1961 to handle projects involving bilateral development cooperation. The initial phase of India's development cooperation with the continent was launched under this, with the Technical and Economic Cooperation (ITEC) Program involving 158 developing countries, including African states.

ITEC focused on four main areas:

1. Capacity building through technical assistance and exchange of expertise
2. Project assistance
3. Specialized organisation building to support skill development.
4. Scholarships for higher education administered through the Indian Council for Cultural Relations

The ITEC program has made a substantial contribution to the improvement of human resource capabilities throughout African nations. As part of its policy for development cooperation, India also provided lines of credit and grants for projects and disaster relief. The Confederation of Indian Industries has been organising the India-Africa Business Conclave since 2005, and its continued success serves as evidence of Africa's rise as one of India's principal development partners. The India-Africa Duty Free Tariff Preference (DFTP) Scheme, which allowed duty-free access on 94% of India's total tariff lines, has 21 out of 34 African LDCs as members.

Indian investments in Africa have increased remarkably from post 2000. The reason behind the growth of Indian investments in Africa can be traced to several developments in both sides. *First*, as a capital-scarce country with limited foreign exchange resources, India was highly restrictive in releasing the foreign exchange necessary for Indian firms to invest abroad. With the economic reforms of the 1990s, the rules and procedures for outward investments were gradually liberalised. By 2003, the overall investment ceiling on outward Indian investment was abolished and Indian companies were practically free to invest abroad. *Second*, with higher growth rates, India's energy requirements also increased considerably. As a result, energy security concerns took centre stage of India's foreign policy dialogue. Diversification of energy suppliers and investment in oil and gas ventures abroad became important objective of India's foreign policy.¹⁰ To facilitate the procurement of energy assets abroad, Oil and Natural Gas Corporation-Videsh Limited (OVL) was established in 1996.

Since 2010, India's interactions with African countries have accelerated. In latest years, Prime Minister Narendra Modi has given Africa top emphasis. India entered a structured engagement with African countries with the series of India-Africa Forum Summit.¹¹ The first Summit was held in 2008 in New Delhi, followed by the Second

India - Africa Forum Summit in Addis Ababa 2011. The third India - Africa Forum Summit, held in New Delhi in October 2015, renewed the focus of India on strengthening and enhancing its partnership with countries in the African continent. It brought forth two important documents, the *Delhi Declaration*, and the *India - Africa Framework for Strategic Cooperation*.

The India - Africa Strategic Partnership represents a pluri-dimensional South-South cooperation and needs to be intensified to render it more effective.¹² They offer a direction for India - Africa relations in the future years. These summits looked into potential areas for interaction and collaboration. Heads of state and high ranking

ministerial delegations attended them. Agriculture and food security, health, education, information technology, climate change, and the blue economy were the main areas of shared interest. The fourth India - Africa Forum Summit has been scheduled for 2020.

India's Major Exports and Imports:

India's exports to Africa (Fig. 1) have changed over the period. The refined petroleum which accounted for one fourth of Indian exports to Africa came down to one sixth. Exports of pharmaceuticals have steadily increased over the same period. The export of road vehicles and special machinery has steadily increased from 2001.

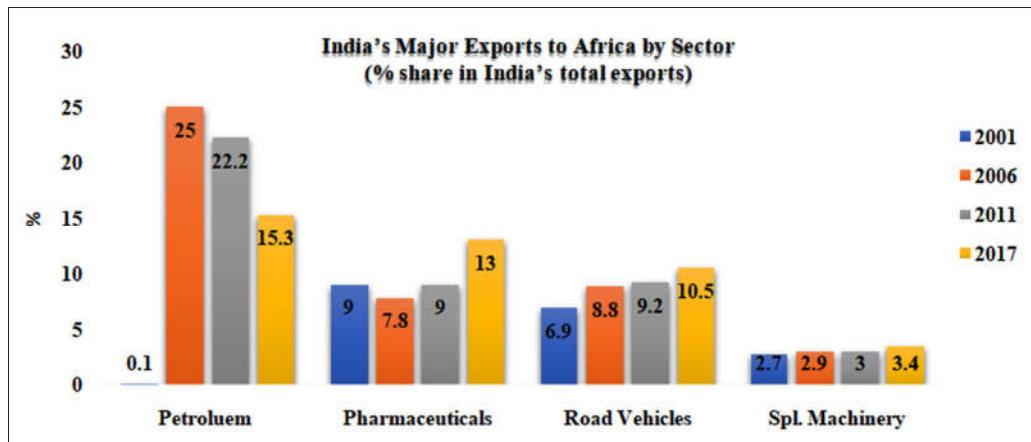


Fig. 1: Products

Source: Exim India Research, 2018

India's dependency on Africa's natural resources is shown in the import component of India from the region. The share of crude petroleum in India's imports from Africa increased from around one-third in 2001 to over two thirds in 2011, which then

came down due to the fall in oil prices. The share of gold, which is the second largest import from Africa, remains high. The period under analysis saw an increase in the shares of commodities such as coal and gas during the same period (Fig. 2).

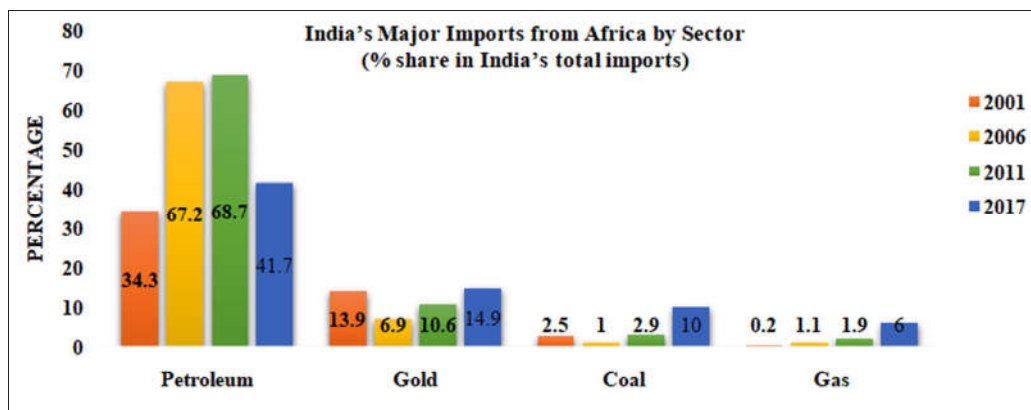


Fig. 2: Products

Source: United Nations Conference on Trade and Development stats.

Africa’s importance in the world energy market grew as instability in the Gulf region and prompted many countries to turn towards Africa. Moreover, technological advances made it easier to extract

Africa's offshore oil reserves, and because African crude is lighter, sweeter, and lower in Sulphur content, it was cheaper to refine than crude from the Middle East.¹³

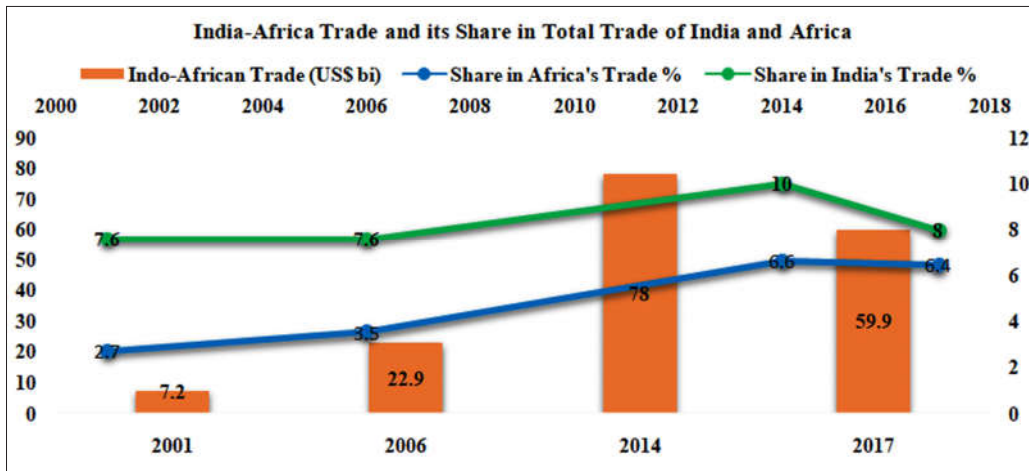


Fig. 3

Source: Afreximbank research (2018); Exim India research (2018); ITC Trade Map, UNCTAD stat.

Bilateral trade volumes (Fig. 3) have increased from just US\$7.2 billion in 2001 to peak at US\$78 billion in 2014, before falling to US\$59.9 billion in 2017. The decline intrade observed after 2014 mainly reflects the lingering effect of plummeting commodity prices and the synchronous slowdown in global economic activity after the end of the commodity super-cycle in mid-2014. The strong growth in bilateral trade has been driven by growth in exports and imports. India’s exports to Africa grew by a Compound Annual Growth Rate (CAGR) of 14.3 percent after 2001 to reach US\$23.8 billion in 2017, up from US\$ 2.8 billion in 2001. Exports to Africa account for 8.0 percent of India’s total

exports, and 4.6 percent of Africa’s imports. During the same period, Africa’s exports to India grew at a CAGR of 14.1 percent, increasing to US\$36.0 billion in 2017, up from US\$4.4 billion in 2001, with Africa now accounting for 8.0 percent of India’s global imports and India now accounting for 8.7 percent of Africa’s global exports.

Trade between India and Africa (Region-wise)

India’s exports to Africa are not uniform and varies significantly when examined region-wise. The below figure supports the statement along with analysis:

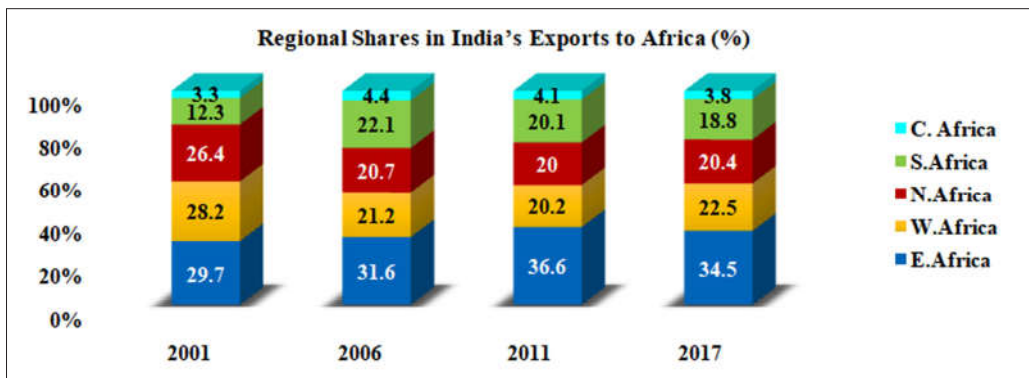


Fig. 4

Source: Afrexim Bank Research, 2018

Similarly, Indian imports like that of exports too, shows considerable number of variations in the

below assessment. Africa’s exports to India (Fig. 5) are dominated by the Western African region,

whose share increased from 39.3 percent in 2001 to 44.9 percent in 2017. In 2017, the Southern African region was the second-largest import source for

India, followed by the Central and Northern African regions.

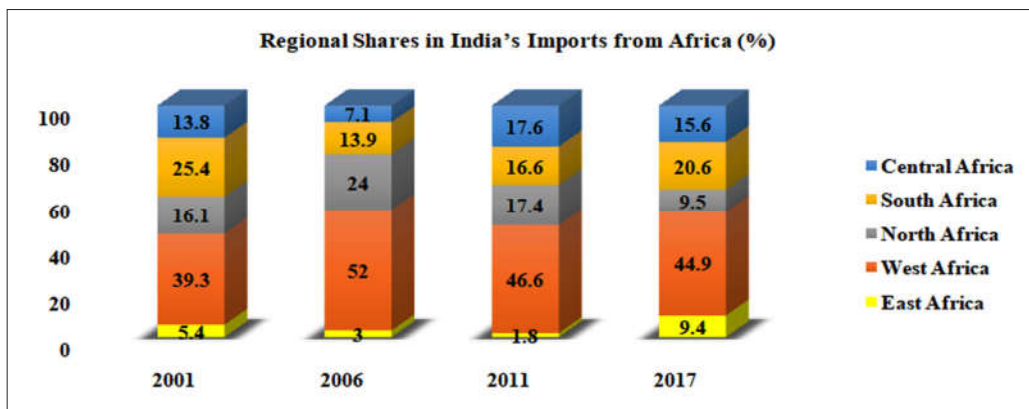


Fig. 5

Source: Afrexim Bank Research, 2018

Investment between India and Africa:

The 1960s saw the beginning of the investment partnership between India and Africa. The first foreign investment made by India in Africa was a textile mill built by the Birla Group in Ethiopia. Following this, numerous other Indian investments were made in nations across Africa, including Kenya, Uganda, and Nigeria. India's investments in Africa have grown gradually and more significantly than anticipated. Because of socio-cultural ties that encouraged FDI in the clothing sector due to the nation's offshore financial facilities and favourable tax laws, Indian FDI in Africa has inevitably focused on Mauritius. The Ivory Coast, Ethiopia, Senegal, and the Sudan are just a few of the nations in the region where Indian Trans-National Corporations have started making investments.

Indian multinational corporations have made both greenfield and brownfield investments in a variety of industries, including telecommunications, energy, computer services, power, and the automotive industry. Indian private sector organizations,

under the aegis of CII, have been active in Africa ever since the early 2000s. They have done through mobilising government, institutional as well as private initiatives, forging stronger public-private partnerships and joint venture initiatives between Indian and African firms. The yearly India-Africa Conclaves have evolved into a venue for companies and governmental organisations to discover a reliable access point for appropriate technologies and partners. There have been eight Conclaves, and the number of participants and available project options has increased significantly. More than 1500 projects totaling US\$ 103.9 billion have been discussed during the course of the Conclave's eight editions. Long-term projects that demand significant resource mobilisation have been the focus of prior editions. The entry of Indian enterprises in project execution has been made easier thanks in large part to the EXIM Bank of India. All of these investments are regarded as outbound FDI from India, and it can be challenging to evaluate the kind of financial support utilised in these initiatives.

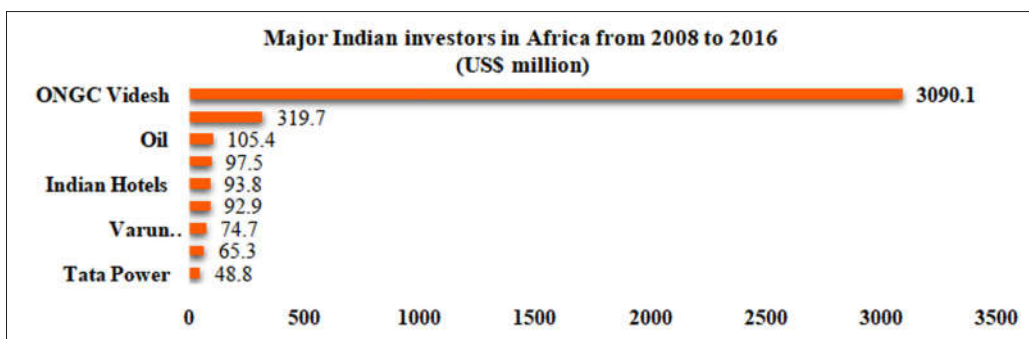


Fig. 6

Source: Reserve Bank of India

Although 597 Indian companies invested in Africa (Fig. 6) over 2008-2016, totaling US\$ 5 billion, the top 11 companies account for about 80 percent of the total Indian investment flows to Africa. Indian outward investment to Africa is heavily concentrated within a few large firms. OVL occupies the top spot with investments worth US\$ 3,019.1 million (59.8 percent) followed by Gujarat State Petroleum Corporation (6.3 percent), Oil India Limited (2.1 percent), and Coromandel (1.9 percent) – at US\$ 319.7 million, US\$ 105.4 million, and US\$ 97.5 million, respectively.

The pharmaceutical corporation Ranbaxy has joint venture agreements with African businesses, giving them the opportunity to invest and expand local manufacturing capacities. Telecommunications companies predominate in FDI in the services sector. Essar Group, Tata

Communications, and Reliance Communications are three of India's largest telecom companies that hold licences to provide telecom services in African nations. All three are trying to expand their businesses. In addition to Tata Telecommunications in South Africa, Essar is present in Kenya and Uganda. The African Regional-wise portrays a rosy picture for East African nations while the Central African nations meagerly attracts Indian investments.

With a share of 63% and 22%, respectively, the East and North African regions attract most of the investments from India (Fig. 7). The share of South and West Africa was 9% and 5%, respectively. Middle African countries such as Central African Republic, Chad, Congo, and Gabon attracted little investment from India.¹⁴

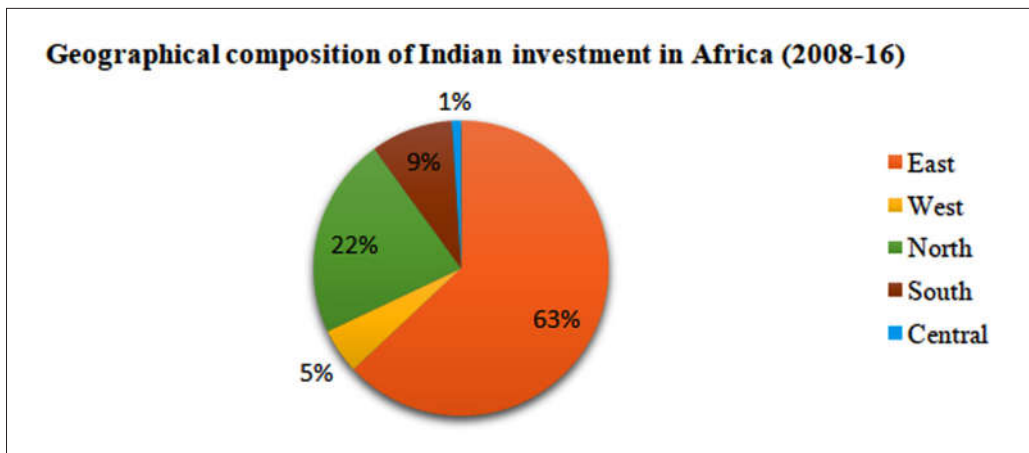


Fig. 7

Source: Reserve Bank of India

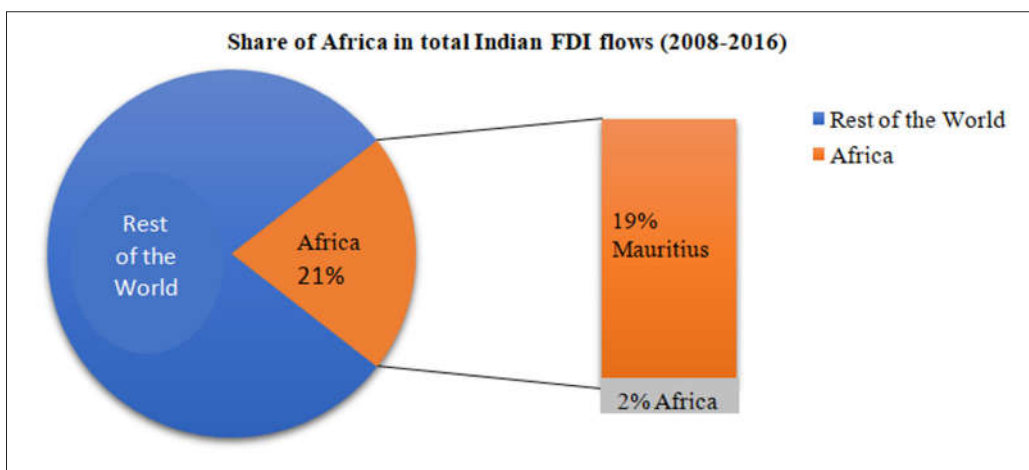


Fig. 8

Source: RBI data on Indian FDI

India's FDI flows to Africa are concentrated in Mauritius, which accounts for about 19 percent of Indian FDI flows to the world (Fig. 8). From 2008 to 2016, Indian FDI outflows to Mauritius totaled US\$ 47.6 billion. Only US\$ 5 billion went to the rest of Africa which represents only two percent of global

Indian FDI and 9.6 percent of Indian FDI flows to Africa.

From the below fig. 9, it can be analysed that there are goods like nuts, pulses, ferrous metals etc., with export potential which can increase the African's exports to India.

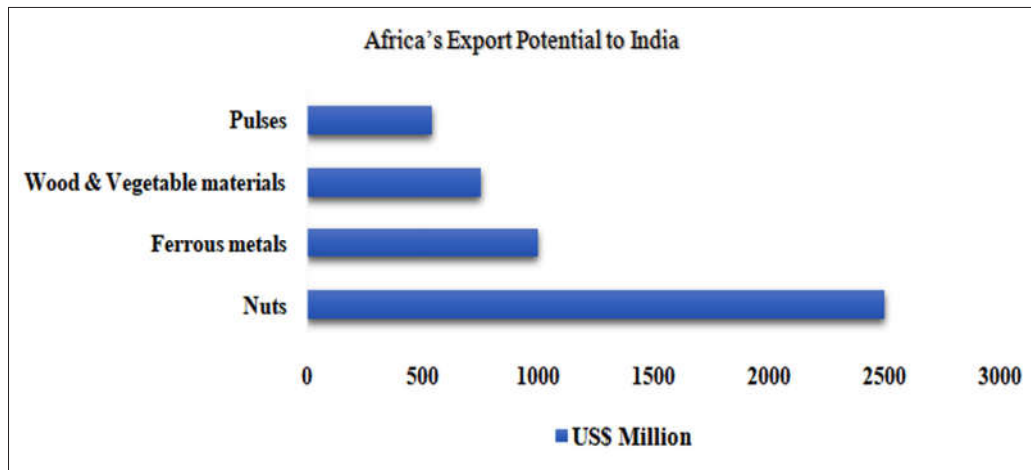


Fig. 9

Source: Afrexim Bank calculations

Recent developments and efforts for improvement

Under the leadership of India's Prime Minister, Sri Narendra Modi, relations with a number of African nations have been strengthened. India's interactions with Africa were initially guided by eleven principles. These centred on commerce, information technology, agriculture, health, education, and financial inclusion as well as security and intelligence cooperation. The actors involved in India's policies are various and each have their own objectives. The government, public enterprises, private businesses, non-governmental organisations, and the Indian diaspora are all included in this.

India has used the forums of multilateral associations to extend assistance to Africa like Colombo Plan, Special Commonwealth Assistance for Africa Program, Technical Assistance Program of the UN, United Nations Development Program (UNDP), UN Conference on Trade and Development. India may effectively work with Africa through the African Union, the eight regional economic communities in Africa, the G77, the G15, the Indian Ocean Rim Association for Regional Cooperation, the India-Brazil-South Africa Dialogue Forum, the World Bank, and the United Nations.

India received observer status in Common Market for Eastern and Southern Africa (COMESA),

Southern African Development Community (SADC), and Economic Community of West African States (ECOWAS) in addition to being a full member of the Africa Capacity Building Foundation in 2005. Aid and commercial ties between India and Africa have grown stronger throughout time, and in 2008 India became the major donor to UN-mandated missions in Africa. Through its Pan-African e-network, India has collaborated with regional organisations in Africa and supported the New Partnership for Africa's Development (NEPAD). Another noteworthy action was India's adoption of the Pan-African E-Network project, which aims to offer tele-education and tele-health services across international borders in Africa. India has also started a new agricultural partnership with Africa called the India-Africa Partnership in Agriculture, which aims to use Indian experience and expertise to help African nations find solutions to their problems with food, agriculture, and development and thereby improve global food security. The escalating connections necessitated the development of an organised structure for consideration, discussion, and proposals for improving development cooperation.

The Exim Bank of India offers loans to the African governments at preferential rates. Numerous infrastructure development projects are financed by these loans. The funding is contingent upon

exports, with the requirement that 75% of the goods and services used in each project come from Indian businesses. In 2017-18, its bilateral trade with Africa was US\$ 63 billion, up from US\$7.2 billion in 2001.¹⁵

The relationship between India and African nations is regulated by India - Africa Trade Agreements. It is separately entered Trade Agreements between the contracting nations. There is no single trade document between India as a country and the entire African as a continent. The Agreement generally expressed the desires of the contracting parties to expand trade, economic cooperation, and joint venture between themselves. The relationship is reciprocally beneficial to both parties. African countries import many finished products from India and export a handful of their raw products to India. As India is more developed and industrialised than most African countries, it produces and exports more finished products to African countries and imports few unfinished materials.¹⁶

Addressing Ugandan gathering in the CII - Exim Bank Conclave, Minister of State for Commerce and Industry Government of India, C. R. Chaudhary in March 2018 said the current level of bilateral trade between India and Africa trade is widely seen as way below the potential and can touch US\$ 150 billion in the coming five years. The minister also said that massive investment possibility exists in African region in areas such as infrastructure, energy, IT, and agriculture. EXIM bank has approved 167 lines of credit worth US\$10 billion of projects to 40 African countries still February 2019. Trade can increase sharply if African least developed countries can optimise use of the facility of Duty Free Tariff Preference.¹⁷ During a state visit to Uganda in July 2018, Prime Minister Narendra Modi spoke to the Ugandan parliament and offered a vision for an alliance with Africa that went beyond bilateral relations by endorsing the '10 guiding principles for India-Africa engagement'.¹⁸

Africa's importance to India as a development partner first became visible with the decision to enter a structured engagement with African countries under the framework of India - Africa Forum Summit (IAFS). In recent years, the African continent has been accorded significance in Indian foreign and economic policy; there has been an unprecedented intensification of political engagement. From 2014, a total of 29 visits to African countries at the level of President, Vice-President, and Prime Minister have taken place. In terms of ministerial-level visits, all 54 African countries have been covered from the Indian side. Over 32 heads of

state or government from Africa have visited India in the past four years. The Government of India in March 2018 allowed the opening of 18 new Indian Missions in Africa to implement the commitments under IAFS-III over a period of four years from 2018 - 2021.¹⁹

The 2008 India-Africa Forum Summits were designed with the intention of fostering cooperative projects that would benefit both parties. In order to assist Africa in achieving its development goals, India pledged US \$ 5.4 billion at the First Summit and US \$ 5 billion at the Second Summit for a three-year period. In conjunction with the African Union and its institutions, an additional US \$700 million was pledged to create new institutions and training programmes.

The Framework for Enhanced Cooperation and the Addis Ababa Declaration are products of the Second Summit. From 32% in 2004 to 53% in 2011, the number of lines of credit committed to African nations has significantly increased. The lines of credit, which are routed through the Exim Bank of India, have provided funding for a variety of capacity-building projects in a variety of fields, including infrastructure, information technology, agriculture, irrigation, food processing, rural electrification, etc. From US \$1 million in 2000-01 to US \$ 67 million in 2013-14, the grants going to African countries have increased.²⁰

Problems and Prospects:

There are three primary constraints to India - Africa trade:²¹

1. ***Limited access to trade finance:*** Lack of proper financing mechanisms and limited access to trade-related project finance has been exacerbated by a stringent regulatory environment, resulting in the withdrawal of many international banks from Africa's trade finance space. This has contributed to limited trade expansion with the rest of the world, including India.
2. ***Transport and logistics costs:*** High shipping costs and high costs of insurance in exports to African countries have led many Indian exporters to sell on a 'free on-board' basis rather than 'on-delivery' basis. Given the high transaction costs and risk perceptions attached, Indian exporters sometimes show tendencies to become risk averse. Therefore, lowering transaction costs is crucial for increasing India-Africa trade.

3. *Limited market information and knowledge:*

The knowledge asymmetry created due to the lack of proper dissemination of information, and the incomplete understanding that India and Africa have about each other's markets creates major hurdles. It is necessary to create straightforward regulations, develop basic infrastructure, generate greater political will, and address domestic leakages, to create the correct environment for reducing investment risks.

Since the middle of the 1990s, African countries have changed their policy framework in favour of global development initiatives. These changes have been successful in making the continent a desirable location for investments. There are countless investment options in the continent. There is little doubt that Africa has a wealth of resources, including mining and electricity. The current spend on infrastructure in Africa is about US\$45 billion a year while about US\$90 to US\$100 billion a year is needed, which is a huge funding deficit.²²

The private sector has numerous options to invest, either on its own or in collaboration with the government. Africa's high rate of urbanisation has also produced a middle class that is increasingly mobile, which has led to an increase in consumer expenditure. Along with the retail industry, the food and beverage industry must grow to meet the demands of the expanding middle class and the burgeoning urban population. The ripple effects are being reaped by the booming banking, IT and telecom sectors. Rapid urbanization in the continent has opened window for investments in infrastructure such as schools, power, transportation, hospitals etc.

Answers to the world's growing food security challenges can be found in the continent's rich, uncultivated terrain. With Kenya and Uganda, the state of Andhra Pradesh in southern India has agreed to deploy 500 farmers to work as farmers in other countries' lands. The Andhra Pradesh government has signed letters of intent with Kenya for 50,000 acres and with the Uganda Investment Authority for 20,000 acres. The Indian farmers would work as entrepreneurs and landowners, not as labourers.²³

The CII-WTO survey²⁴ has identified the following specific issues faced by Indian investors in Africa - transport and cost of logistics, unfavourable business climate, financial accessibility, lack of bilateral investment agreements, limited market size, unofficial regulations, and unscrupulous business practices. Further investigation reveals

that these are normal restrictions that all investing nations encounter. Ernst and Young²⁵ have highlighted that many foreign investors still have a negative perception of Africa, which is mostly caused by a lack of knowledge or expertise about doing business there, a shortage of highly educated personnel, tiny market sizes, and inadequate infrastructure. Africa must provide an inviting business environment with legal protection and transparency that existing and new investors would find appealing to invest in if it is to fully benefit from the current investment climate. This alone can guarantee the success of a development model that is driven by sustainable investment.

Numerous African nations' internal policies have changed for the better, enhancing, among other things, the handling of construction licences, investor protection, and tax collection. Sub-Saharan Africa has impressively expanded, with growth rates of above 5%; the region continues to be stronger than the world average and to provide a positive prognosis for the economy. While Zimbabwe, Kenya, and Tanzania have remained constant, Nigeria, Botswana, and Rwanda have all advanced up the competitiveness index. The most important among the several factors are the expansion of powerful institutions with low levels of corruption, solid security conditions, labour market efficiency, well-developed financial markets, and capacity for innovation.²⁶ Reducing political instability and boosting future FDI flows are made possible by the cessation of wars in a number of African nations, including Liberia, Sierra Leone, Eritrea, Ethiopia, and others, as well as the general trend towards embracing democratic regimes.

The Third Africa-India Forum Summit's Mid-term Review Meeting of the Strategic Cooperation Framework took held in New Delhi, India, from September 11 to 12. Participants at the discussion included representatives from the Indian Ministry of External Affairs, an African Union delegation from Addis Ababa, Ethiopia, and the African Diplomatic Corps, including the IAFS Committee in India.²⁷ The following steps may endure the engagement between India and Africa:

- India and Africa must look to sign more legal frameworks to improve economic engagements like Bilateral Investment Promotion and Protection Agreement and Free Trade Agreements.
- India and Africa should look to engage with one another in more programs and platforms at the Track-I and Track-II levels.

- Establish effective institutional mechanisms for the quick redressal of grievances.
- There are very few scholarly seminars on Africa and India-Africa engagement being organised on both sides. This gap must be addressed, given that greater contacts between universities and think tanks will go a long way in increasing mutual awareness.
- India should not stop in merely articulating the principles. India should set out to develop an Action Plan for each of the principles.
- Extend Line of Credits (LOCs) for implementing projects in Africa.
- Providing opportunities to African entrepreneurs and students under the Indian Technical and Economic Cooperation Program.
- Liberalise VISA policies to increase trade and investment.

Indian exports include manufactured goods, machinery, transportation equipment, food, and pharmaceutical products, automobiles, telecoms, India's imports from Africa are still dominated by crude oil, petroleum, gold, and inorganic chemical products, reflecting India's high demand for energy resources. As partners in progress, India – Africa partners should jointly work to overcome their common limitations and consolidate on their mutual achievements. Closer but mutual bilateral ties should be harnessed for the benefit of both stakeholders.

The relationship will be more meaningful and gainful if India assists African countries overcome its enormous challenges. India should increase her bilateral investments in the area, which include both resource-rich and resource-poor nations and keep making investments while introducing technology that is "Appropriate, Affordable, and Adaptable," or "Triple A," as it is referred to in the technology transfer industry during the 8th India – Africa Conclave.²⁸

Deep social and economic ties between India and Africa have existed since Indian traders first went to the east coast of Africa in quest of minerals, diamonds, and agricultural and animal products thousands of years ago. The modern times gives further chances of engagement in myriad programs through deliberations and discussions. The CII report recommends the creation of an institutional mechanism, India-Africa Development Cooperation, under the aegis of the India-Africa Summits, wherein the private sector can provide its inputs on the geographical and sectoral focus of

development cooperation.²⁹

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