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Three trends to India's Africa approach

India seems to have departed from catch-all, overarching initiatives in Africa to rather more nuanced ways of making its contribution felt, such as helping fashion G20's 'Compact with Africa'. Many countries are also keen to avail of Indian companies' knowledge and experience of investing in Africa and the presence of the large diaspora—and such trilateral cooperation is to be welcomed

BY Rajiv Bhatia DISTINGUISHED FELLOW, FOREIGN POLICY STUDIES

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Africa is a vital region, and engaging with it gives India's diplomacy a global and forward-looking perspective. The prime minister's office (PMO) and the ministry of external affairs (MEA) have not neglected it at all, despite priorities such as containing difficult neighbours, China and Pakistan, and managing great power relationships. But there are divergent trends emerging in 2017 – unlike 2015, when New Delhi hosted the mega third summit involving all the African states, and 2016 too, when India's top leaders fanned out to various corners of Africa to cement friendships and promote business linkages.

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One notable trend is India's contribution to fashioning G20's approach to Africa. India worked actively on this with Germany, the chair of G20, as evident from the presence of MEA's Africa specialists at preparatory discussions for the G20 summit.

Of late, G20 seems to have re-ordered its priorities, according higher importance to sustainable development and other socio-economic issues over "improving global economic policy design."[1] As part of this adjustment, Germany led a major endeavour at government, business and think tank levels, which produced the 'Compact with Africa' (CWA). Its unstated intent is to discourage mass migration from Africa, Europe's major fear. The way to secure this goal is to help accelerate the pace of Africa's economic development, which requires a substantial increase in infrastructure through a massive injection of foreign direct investment to African countries. The combined wisdom of G20 business leaders (B20) and thought leaders (T20) indicates that Africa will get a bigger slice of foreign investment only when it brings about a noticeable improvement in its politico-economic conditions, quality of governance and enabling environment.

India has apparently played a significant role in moulding the concept of the CWA. While at the policy level, it has gone along with its G20 partners, a second trend is that its companies continue to explore vigorously possibilities of new investment and initiate new projects wherever they enjoy a competitive advantage. Finance Minister Arun Jaitley disclosed recently that India had emerged the fourth largest investor in Africa with 45 greenfield projects in 2015, after the U.S., UK and UAE. India's share in announced greenfield projects increased from 3.3% during 2003-08 to 6.1% during 2009-15.

The same period saw China's share fall from 4.9% to 3.2%.[2] Despite this, it is, of course, evident that China is far ahead of India and other powers in terms of overall trade, investment and the range and value of projects executed or on the anvil in Africa, with these stretching from one region to another.

India's strategy to counter this constitutes a third trend, which appears to encompass: i) a collaborative approach; and ii) a direct one. A growing number of countries -Japan, U.S., France, Germany, Singapore and UAE - are interested in leveraging Indian companies' knowledge and experience and the presence of an Indian diaspora in several African countries. India needs to welcome actively the possibility of their engagement through capital, technological and managerial support. Trilateral cooperation, involving India, African countries, and a non-African one, holds much promise.

Growth Corridor', which was unveiled recently with some fanfare. At its heart is the aspiration for close collaboration between India and Japan, an idea that developed from dialogue between the two countries for the past five years and was given a clear shape at the discussions between Prime Minister Modi and Prime Minister Shinzo Abe in November 2016.[3]

This concept needs to move quickly beyond the seminar rooms of think tanks to the boardrooms of interested Indian, Japanese and African countries in identified fields, such as health and pharmaceuticals, agriculture and agro-processing, disaster management and skill enhancement. Only then will it be taken seriously and win widespread credibility. Some experts hold the view that through a combined endeavour, India and Japan will be able "to balance China's influence in the region."[4]

New Delhi's major gain in recent months for its direct approach to Africa was to persuade the African Development Bank (AfDB) to hold its annual meetings in Gandhinagar-for the first time. India thus joined a select band of countries, namely, Spain, Portugal and China, which had hosted these meetings in the past whenever the bank chose to move beyond African locations. Its decision to come to India shows its confidence in India's economy and an interest in playing an increased role in burgeoning India-Africa business linkages. Dr Akinwumi A. Adesina, the bank's president, explained that Africans wanted to work with India in the areas of processing and value addition so that their country did not remain a mere exporter of raw materials. Further, Africa saw benefit in cooperation with Indian companies in its

Another African priority is to spur human development that requires greater investment in human capital, such as in health, education and skills. The African Economic Outlook 2017 states: "Despite a decade of progress, 54% of the population in 46 African countries is still living in poverty."[5]

The government utilised the AfDB meetings to arrange across the board interactions between Indian and African business leaders, bankers, experts and officials. Hopefully, seeds thus sown will produce results in the fullness of time. It is reassuring to learn from the prime minister that Africa remains "a top priority for India's foreign

Rajiv Bhatia is Distinguished Fellow, Foreign Policy Studies Programme, Gateway House. He is a former high commissioner to South Africa, Lesotho and Kenya. He comments regularly on African affairs.

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It is this assessment that has been the impetus for the proposal of an 'Asia Africa goal to become self-reliant in food and agriculture. and economic policy."[6] This feature was exclusively written for Gateway House: Indian Council on Global For interview requests with the author, or for permission to republish, please

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