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Ignoring OBOR, India and Japan forge ahead with joint connectivity project

BY IANS | JUL 30, 2017, 01.07 PM IST

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NEW DELHI: **China** may not have forgiven India for snubbing its mega trans-continent corridor initiative, but in what may rankle more is that New Delhi and Tokyo, Beijing's arch rival, are pushing ahead with a development corridor between Asia and Africa.

The announcement of the **Asia Africa Growth Corridor** (AAGC), made by Prime Minister Narendra Modi during the African Development Bank (AfDB) meet in Gandhinagar in May, came days after China hosted with great pomp the first One Belt One Road (**OBOR**) summit in Beijing. The venture is expected to get further impetus in September during the visit of Japanese Prime Minister Shinzo Abe.

India has been involved in Africa for many years, in trade as well as capacity-building activities. Japan, which has been working on infrastructure projects in Africa, can help with its advanced technology as well as funds for the AAGC. Japan is reportedly planning to commit \$200 billion for the proposed growth corridor.

So, is the AAGC meant as a counter to OBOR?



"The two are completely separate. OBOR is different. Long before OBOR, India and Japan were individually working in Africa, and were talking to each other about Africa," Rajiv Bhatia, a former Indian ambassador, told IANS.

"India and Japan feel that by intensifying cooperation with Africa, they can help each other and Africa. We are working on the AAGC in our own way and at our own pace," said the former High Commissioner to South Africa and Kenya.



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He said that China's engagement in Africa is extensive, while the India-Japan collaboration is beginning to take shape. The AAGC shows that India and Japan desire to take their cooperation beyond the bilateral sphere, he added.

China's OBOR, proposed by President Xi Jinping in 2013, is an estimated \$5 trillion connectivity corridor spanning over 60 countries across Asia, the Middle East, Europe, and Africa. It is meant to be a revival of the ancient Silk Road trading route and is expected to comprise building of roads, bridges, gas pipelines, ports, railways and power plants, besides SEZs.

India and Japan had begun a dialogue on Africa in 2010, a continent in which both have much stake. The main objective of the AAGC is to enhance growth and connectivity between Asia and Africa. According to the vision document, the corridor will focus on four areas: Development Cooperation Projects, Quality Infrastructure and Institutional Connectivity, Enhancing Skills, and People-to-People Partnership.

Agriculture, health, technology, and disaster management are the main areas of development cooperation. It will focus on boosting skills and research and development capacities in Africa.

According to a report by McKinsey, China is Africa's largest economic partner, with goods trade worth \$188 billion in 2015 -- compared to \$59 billion with India. Since the turn of the millennium, Africa-China trade has been growing at approximately 20 per cent per year, the report says, adding that there are around 10,000 Chinese firms in Africa,

Three think-tanks -- India's Research and Information System for Developing Countries (RIS), Indonesia's Economic Research Institute for ASEAN and East Asia (ERIA), and Japan's Institute of Developing Economies (IDE-JETRO), prepared the vision document for AAGC. They have produced one report on the corridor and another report is due in a few months, said Bhatia.

He said that at the corporate level, companies of India, Japan and from Africa are looking at specified sectors of the growth corridor in order to execute projects. "There is seriousness and earnestness" behind the initiative, he added.

Bhatia, a former Director General of Indian Council of World Affairs (ICWA), also feels that giving too much importance to OBOR and China would help Beijing.

Speaking on the comparison between OBOR and the AAGC, Sachin Chaturvedi, Director General, RIS, told IANS: "The OBOR, it seems, is visualised on the idea of economic corridors and infrastructure development with connectivity as the central focus, while the AAGC is a concept based on the theory of growth poles where several growth triangles and quadrangles are envisaged with different regional production hubs."

The proposed AAGC seeks to encompass and integrate Africa, India and South Asia, Southeast Asia, East Asia and Oceania.

India's increased engagement with Africa comes in the backdrop of the third India-Africa Forum Summit held in New Delhi in October 2015 when all 54 African nations had sent their representatives. India has also made many high level visits to several African countries, as part of its outreach. India also held the AfDB annual meeting in Gandhinagar this May.

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