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Forging Ahead With Fortitude

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IMF pat for
South Africa*

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CHAD: Opening a
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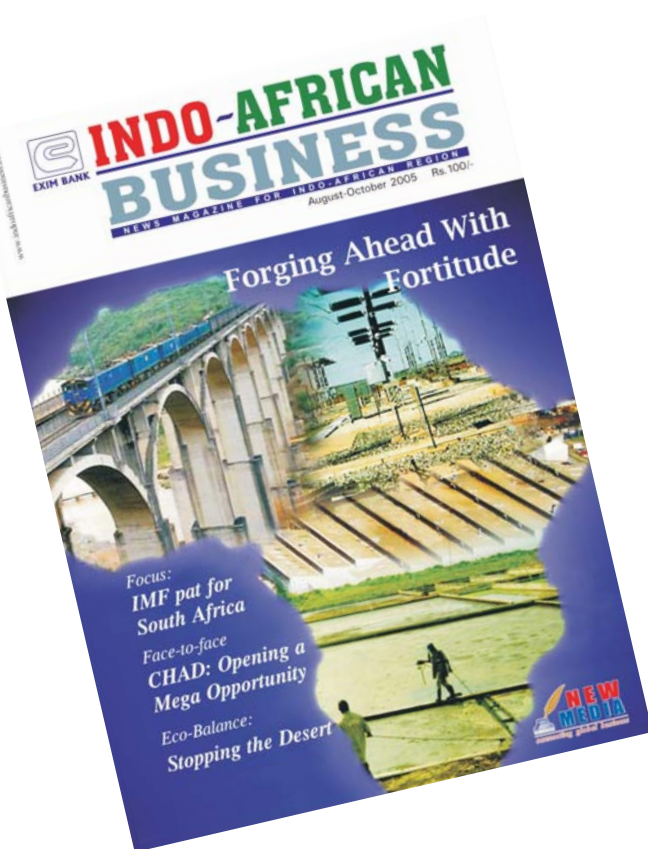


Dear Readers,

Greetings. A significant jump in India's bilateral trade with African countries is an indication of the strengthening synergy between the two sides. The Indo-African lateral trade shot up from a mere \$967 million in 1990-91 to \$ 9.14 billion in 2004-05. It also reveals the scope and diversity of opportunities that India and Africa offer to each other. Africa has woken up from its slumber and shaken off its lethargy and hit the path to globalization to catch up with the rest of the world in progress. So, Africa is in a hurry looking for partners and lasting partnerships. The first Conclave of India-Africa Partnership, held in March 2005 explored the untapped potential and laid down the roadmap for collaboration in specific sectors. We carry three articles on this subject, starting with an analytical overview by Exim Bank CMD T.C. Venkat Subramanian, which captures a vibrant continent that is on the move. In the Team-9 initiative piece, Exim Bank General Manager P.R. Dalal gives details of various Lines of Credit extended to different African countries, adding up to \$265 million. The third is the Exim Bank's analytical wrap-up on Indo-African bilateral trade, which crossed the \$9.0 billion mark in 2004-05, a historic highpoint. In focus in the issue is the success story of the South African economy. We reproduce an assessment of the South African economy by the International Monetary Fund (IMF), which gives that country a firm thumbs-up. In line with the IMF praise of South Africa is the upgrading of that country's credit rating by Fitch Ratings, which comes on the heels of a similar pat by Moody's and Standard Poor's. Then, we have a detailed report on the dangers of land degradation and gradual desertification of Africa, which called for a \$4-billion initiative, named TerrAfrica, to arrest the devastation and to step up agricultural production. The effort to reverse the desertification of Africa, a joint action by NEPAD (New Partnership for Africa's Development), the World Bank and some other global agencies, has found a strong supporter in Kenya's president Mwai Kibaki, who called for an all-out war against desertification. Then we have a report on the forthcoming Conclave on India-Africa Project Partnership to be held in New Delhi on November 7 and 8, 2005, which is a follow-up of the spectacularly successful meet held in March this year. The issue carries a brief account of the West Bengal government's enthusiasm to promote the state as a tourist destination; it will be "tea tourism", for the connoisseur-tourist, who would love to live in a cottage on the cool Himalayan slopes, sipping Darjeeling tea. Plus we have the regular features to perk up your mood further.

Wish you happy reading

Satya Swaroop
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Forging Ahead With Fortitude

Nelson Mandela, the living legend of South Africa once said: "If there are dreams about a beautiful South Africa, there are also roads that lead to their goal." Though Mandela's reference was to the two paths named "Goodness and Forgiveness," visible only to the willing hearts and souls, the people of South Africa have taken it upon themselves to realize the dream. Of course, politics and policies certainly come to the aid. But it is the grit and grim determination that matters in the end. When the International Monetary Fund (IMF) gave a wonderful laudatory review of South Africa's economy, it aptly underlined the visible achievements of that country. The invisible resolve, the sense of purpose and fortitude have been felt by the entire continent. That's why, the IMF said: "Given South Africa's position in the region, the country's strong economic performance has benefited the rest of Africa." The IMF assessment is reflected in the performance of most African countries, which have overcome decades of despotic oppression, misrule, poverty, hunger and malnutrition. These nations are moving towards their millennium development goals, to turn the region, which once carried the tag of being the continent of foreboding darkness, into a land of light and bright hope. What man has deprived the people for centuries, namely freedom from poverty, the nature has compensated abundantly in the form of resources. The continent is literally a gold mine. It produces more than the world can buy. And now, some of the African countries have struck the liquid gold, namely, oil. Chad, a poverty-ridden African country, three times the size of France, has found itself overwhelmed by the rising revenues from its oil wealth. In a face-to-face chat with this publication, Chad's Minister for Planning, Development and Cooperation, Mahamat Ali Hasan talks about how the revenue is being carefully deposited in a London bank to be used for the betterment of the people, especially in the fields of education and healthcare. There is a great lesson in this to all oil-producing countries in Africa. The oil-rich Nigeria turned deeply debt-ridden during decades of military misrule, has managed to get an \$18-billion waiver from its lenders of the Paris Club. But it has agreed to pay \$12 billion to get this waiver. The poor have paid a heavy price for the despots' greed. Man, a symbol of progress, also epitomizes ruthless exploitation of the nature. The dangerous spread of land degradation is resulting in the desertification of parts of Africa, which called for a global initiative to restrain man from hacking the hand that feeds. Again, there is a lesson here, for not only Africa, but the entire world. The question, however, is: "Will the man ever learn from his mistakes?" Perhaps, time and Africa will tell.

- Dev



By **T.C. Venkat Subramanian**
Chairman and Managing Director,
Export-Import Bank of India

Reforms push up GDP growth

Africa on the Move

Despite the many challenges facing Africa, GDP growth in the African countries has exhibited resilience in recent years. Considerable progress has been achieved through improved macro-economic management and continued structural progress in many countries. This has resulted from the strong commitments of many African governments to prudent fiscal, monetary and exchange rate policies.

Recent Economic Developments

According to the IMF's World Economic Outlook, Sept. 2005, Africa's real GDP registered a rise of 5.3% during 2004, up from 4.6% during the previous year, the highest in almost a decade. Underlying the pickup in growth have been the strength of the global economy, including high oil and commodity prices, improved domestic macroeconomic policies, progress in structural reforms, and the ending of several protracted armed conflicts.

Country specific developments have also boosted overall developments in the region. These positive developments include large increases in oil production in Angola, Chad and Equatorial Guinea, recovery in agricultural output in Ethiopia, and Rwanda. While rise in global oil prices have affected oil importers, the rise in global commodity prices is expected to have a positive net impact on the trade balances of many countries.

In the sub-Saharan region, combined real GDP growth stood at 5.4% during 2004, which is projected to drop to 4.8% in 2005 before rising to 5.9% in 2006, boosted by sustained growth in most countries. Inflation rate has also moderated in the region, although inflation in Angola and Zimbabwe remains an area of concern. Countries, which have registered strong growth, include Nigeria, Ghana, Sudan, Congo, D.R., Tanzania, Uganda, Angola, and Ethiopia. In the Maghreb region, economic activity slowed down represented by a growth rate of 5.0% in 2004, as compared with 6.2% in 2003. This slowdown was due to a moderation in the expansion of hydrocarbon production in Algeria. The outlook for the Maghreb region remains positive notwithstanding an expected slowdown in output growth during 2005.

Prospects for sustained growth augurs well for the African region. Real GDP growth is expected to accelerate from a growth on 4.5% in 2005 to 5.9%, the strongest expansion since the early 1970s. The coming on-stream of new oil production facilities in Angola





agriculture.

Exim Bank in Africa

With the African region constituting an integral part of the overall strategy, Export-Import Bank of India (Exim Bank) has in place a comprehensive range of financing, advisory and support services in place to foster enhanced commercial cooperation between India and the African region.

and Mauritania, and expected increase in oil production in Nigeria, among others, would serve to boost overall growth. Recent commitment by the G-8 countries to boost aid and debt relief to the region could serve to enhance confidence, investment and growth

Challenges

While growth has been resilient, Africa continues to face a wide range of development challenges, including political instability that undermine macroeconomic stability and the long-run growth potential; adverse weather conditions and natural disasters that generate high output volatility; infrastructure and health conditions that hold back productivity growth.

To sustain the growth momentum, further reforms would be necessary to strengthen the investment environment and foster private sector-led growth. Emphasis would need to be given, in particular, on building the economic and political institutions that are critical for developing a vibrant private sector-based growth.

The need for African countries to redouble their efforts is firmly articulated in the New Partnership for Africa's Development (NEPAD). As stressed in the NEPAD, a multi-faceted strategy is required to address these issues, including policies aimed at reducing conflict and improving political governance; promotion of competition, trade and foreign investment, underpinned by measures to strengthen macroeconomic policy frameworks; and a policy focus on developing the pro-poor sectors of healthcare, education, infrastructure and

The Lines of Credit (LOCs) which the Bank has in place to boost bilateral trade is continuously being expanded to cover more countries in the region. The Bank now has in place 27 operative LOCs amounting to US\$ 555.84 million in the African region.

Besides support extended to Indian companies to secure projects as also set up joint ventures in the region, equity participation on the Western African Development Bank, (BOAD), Development Bank of Zambia, and the African Export-Import Bank (Afrexim Bank) are concrete measures Exim Bank has taken to enhance bilateral commercial relations with the African region. These programmes and initiatives are reinforced by the strong institutional linkages which the Exim Bank maintains with the African Development Bank, the Afriexim Bank and the African Association of Development Financial Institutions, among others



Low inflation & sound economic policies spur GDP growth

Well Done, IMF pats South Africa

In its 2005 annual country assessment, the International Monetary Fund (IMF) has given a firm thumbs-up to South Africa's economic policies, which it says have resulted in strong growth, low inflation, good fiscal policy management and a marked increase in foreign reserves.

The IMF's latest report on South Africa, released in September, 2005, commends the country's authorities for the remarkable economic progress achieved since 1994.

"The economy is now growing strongly, inflation has been lowered and has become more predictable, public finances have been strengthened, and the external position has improved markedly," the IMF said. "The expansion in economic activity has created additional jobs.

"Given South Africa's position in the region, the country's strong economic performance has benefited the rest of Africa."

The fund described the short-term economic outlook as favourable. Robust growth is expected from low interest rates, a moderately expansionist fiscal policy and healthy growth in the world economy.

The IMF directors did note that serious economic challenges remain: persistent high unemployment, poverty, large wealth disparities and a high incidence of HIV/Aids.

But they came out in support of the SA authorities' approach to these problems, with policies aimed at raising economic growth in a stable economic environment and initiatives to reduce unemployment and improve social conditions.

The IMF said this strategy could be bolstered by labour market reforms and further trade liberalisation.

Social spending & inflation

The fund said sound fiscal management had created space for a moderate increase in government expenditure. They supported additional targeted social spending, as well as spending on infrastructure to improve living conditions and expand the productive capacity of the economy.

It also applauded the policy of inflation targeting, which has kept inflation within the target band for two years - and gained credibility, as revealed by the decline in inflation expectations.

"Continued clear communication with the public, emphasising inflation as the overriding objective of monetary policy, will further enhance credibility," the IMF said.

But noting some risks to the inflation outlook - higher oil prices, a weaker rand and higher labour costs - the fund encouraged the authorities to be prepared to adjust interest rates, if necessary, to keep inflation within the target.

Competitiveness

The IMF described South Africa's management of the exchange rate as "flexible" and beneficial to the country -





"being an integral element of its inflation targeting regime and facilitating the adjustment of the economy to external shocks".

It also commended policies aimed at increasing competitiveness through improving productivity and reducing costs. It supported the additional accumulation of international reserves, and agreed with the gradual relaxation of capital controls.

South Africa's banking system was described as "fundamentally sound", with the IMF commending the authorities on initiatives, such as Msanzi, to widen the banking services net to include the poor. The fund said the implementation of the Financial Services Charter and a regulatory framework for specialised basic banking services should accelerate this process.

Employment and income disparities

However, the IMF directors stressed that reducing unemployment was critical to getting the most from the country's economic reforms. They expressed support for the government's approach, which includes programmes to enhance skills and provide temporary jobs in infrastructure and other projects, as well as measures to foster small business.

They also recommended, however, a "relaxation" of labour market regulations, encouraging the authorities to consider "reducing the scope" of centralised collective bargaining, simplifying the minimum wage structure and moderating minimum wage adjustments, and "streamlining dismissal procedures".

The IMF commended initiatives to improve the efficiency of state-owned enterprises, which it said would increase productivity, encourage infrastructure investment and reduce the cost of doing business in South Africa.

Coming out in support of broad-based black economic empowerment, the fund said a further reduction in social and wealth disparities was key for improving the living standards of the entire population, and ensuring a favourable environment for further social and economic progress.

It noted that progress with land reform had been more limited, and felt it was important to address the obstacles to faster progress, while keeping the programme grounded on well-defined legal principles.

The IMF also said continued firm action against HIV/Aids would help contain the social impact of the disease.

SA: SELECTED ECONOMIC INDICATORS

	2001	2002	2003	2004	2005
Real GDP	2.7%	3.6%	2.8%	3.7%	4.3%
CPI	5.7%	9.2%	5.8%	1.4%	3.9%
CPIX	6.6%	9.3%	6.8%	4.3%	4.3%
Unemployment	29.5%	30.5%	28.2%	26.2%	25.3%
National debt (%GDP)	41.4%	37.1%	35.7%	35.8%	35.1%
External current account balance (% GDP)	0.1%	0.7%	-1.5%	-3.2%	-3.7%
External debt (% GDP)	26%	29.5%	22.4%	19.8%	19.1%
Gross reserves (in months of total imports)	2.9	2.8	2.2	3.1	3.7
Int. liquidity of SARB (in US\$-billion)	-4.8	-1.6	4.8	11.4	19.8
US\$ exchange rate (in rands)	12.13	8.64	6.64	5.64	...

The Numbers

The IMF report cited a number of indicators of SA's economic growth:

"South Africa's macroeconomic performance was strong in 2004 and early 2005. Growth was supported by a continuation of sound policies and a favourable external environment. Real GDP grew by 3.7% in 2004, and 3.5% in the first quarter of 2005.

"The fairly broad-based expansion was mainly driven by strong final domestic demand, fueled by growing disposable income, a large reduction in interest rates, and wealth effects arising from rising housing and stock prices.

"The rapid expansion in economic activity led to some increase in employment, contributing to reduce the unemployment rate to 26.2% in September 2004, some four percentage points lower than two years earlier.

Subsequently, employment continued to grow, but not sufficiently to offset the impact of a growing labour force, and the unemployment rate rose marginally to 26.5% by March 2005.

"CPIX inflation has remained within the official 3% to 6% target band since September 2003; it fell to the lower end of the target in February 2005, before edging up to 3.5% in June 2005.

"During 2004, the continued strengthening of the rand helped contain inflationary pressures and softened the impact of higher oil prices. Expected CPIX inflation for 2005 and 2006 has been within the target band since late 2004. Growth in broad money and bank credit to the private sector has remained robust.

"The South African Reserve Bank (SARB) has maintained its flexible exchange rate policy while building up international reserves. Gross international reserves increased from the equivalent of 70% of short-term external debt at end-2003 to an estimated 178% as of end-June 2005.

"The higher level of reserves and sound macroeconomic policies have contributed to a further decline in sovereign risk spreads.

"The rand continued to strengthen in 2004, a process that started in 2002. This appreciation ... was associated with a rise in commodity prices. Also, large capital inflows resulting from strong global appetite for emerging assets, helped support the rand. This pattern was reversed during 2005, however, with the rand depreciating moderately.

"The external current account deficit widened to 3.2% of GDP in 2004, from 1.5% of GDP in 2003, owing to the rapid growth in domestic demand and the strength of the rand. Import volumes grew strongly, exceeding the growth in export volumes, while the terms of trade remained broadly unchanged. The current account deficit was easily financed by capital inflows.



"The fiscal deficit fell to 1.5% of GDP in 2004/05, from 2.3% of GDP a year earlier, reflecting strong tax revenue performance. Tax revenue rose significantly owing to buoyant domestic demand and greater efficiency in tax collection. An increase in social spending, mainly in the form of targeted grants, was partially offset by the impact of lower domestic interest rates on debt-service payments.

"Asset prices rose strongly in 2004 and early 2005. Low domestic interest rates, favourable growth prospects, and improved business confidence pushed the Johannesburg Stock Exchange all-share index up by 18% in real terms during 2004, and a further 10% in the first half of 2005.

"Also, boosted by falling interest rates and new demand by an emerging black middle class, residential property prices rose by 28% in real terms in 2004, and at a lower rate in recent months."

South Africa's Credit Rating On the upswing

Fitch Ratings has become the third major international agency to upgrade South Africa's sovereign credit ratings in 2005, following upgrades by Moody's and Standard & Poor's.

A better economic growth performance, stronger external balance sheet, entrenched macro-economic stability, increased public investment and transparent political system were among the reasons cited by the agencies for their upgrades.

On Thursday, Fitch raised South Africa's long-term foreign currency rating from BBB to BBB+, its short-term rating from F3 to F2, and its country ceiling from BBB+ to A-.

Earlier in August, Standard & Poor's



upgraded SA's long-term foreign currency rating from BBB to BBB+ and its local currency rating from A to A+.

And in January, Moody's lifted SA's country ceilings for foreign currency debt and bank deposits from Baa2 to Baa1, with a stable outlook. Ratings on foreign currency-denominated bonds and notes was also raised to Baa1, with a stable outlook.

Sovereign credit ratings are a measure of a government's creditworthiness, with higher ratings implying less risk for investors, effectively making it cheaper for a country and its companies to borrow on local and international capital markets.

SA's foreign currency rating is now three levels above the entry-level investment grade rating - on a par with Poland and Thailand, and within a notch of countries like China, Hungary and the Czech Republic.

"The upgrade reflects an improvement in South Africa's growth performance and a further strengthening of its external balance sheet, resulting from a sizeable build-up of official reserves," Fitch said in a statement.

Veronica Kalema, Fitch's lead analyst on South Africa, told radio station Classic FM that the country's recent growth performance had exceeded expectations. "This time [in 2004] expected growth was 3% to 3.5% over the medium-term. Now it's more like 4% over the medium term," Kalema said.

Standard & Poor's said at the time of its upgrade that it was supported by the country's "prudent macroeconomic policies, a moderate debt burden, and strong and stable political institutions."

Continued growth phase

South Africa's economy has been in an upward phase of the business cycle since September 1999 - the longest period of economic expansion in the country's recorded history.

During this upswing - from September 1999 through to June 2005 - the annual economic growth rate averaged 3.5%. In the decade prior to 1994, economic growth averaged less than 1% a year.

According to the South African Reserve Bank, there is no sign of this period of expansion coming to an end. Gross domestic product (GDP) growth was running at an annualised 4.8% in the second quarter of 2005 (compared to 3.7% in 2004 and 2.8% in 2003).

Fitch said it expected that South Africa would be a net external creditor by the end of 2006, ie that the country's reserves and liquid foreign assets held by banks would more than cover its gross external debt.

The SA Reserve Bank's gross gold and forex reserves stood at US\$18.9-billion at 31 July, more than twice its \$8-billion reserves at the end of 2003.

Fitch also stated that the country had managed black economic empowerment "without any serious disruptions to the economy thus far, and has contributed to the growing black middle class and thus to economic growth and social stability."

Areas of vulnerability

However, the agency said it was concerned about SA's widening current account deficit - projected at over 3.5% of



gross domestic product (GDP) in the medium term - adding that additional structural reform, including labour market reform and better education and training, were needed to boost investment and alleviate socio-economic problems including high unemployment, income inequality and HIV/Aids.

In July, Deputy President Phumzile Mlambo-Ngcuka was appointed head of a task team to explore ways in which South Africa could achieve a higher growth rate and develop a programme for boosting investment in the economy.

National Treasury director-general Lesetja Kganyago told Business Day that the clear message from all three ratings agencies was that South Africa has "got to focus on reducing poverty and unemployment, to ensure sustained long-term stability." ■



P.R. Dalal,
General Manager,
Export-Import Bank of India

Team-9 Initiative in Africa

Exim Bank LOCs add up to \$ 265 mln

Line of Credit is one of the financing mechanisms through which Exim Bank extends finance to support export of goods and services from India under deferred payment terms. Exim Bank extends Lines of Credit (LOCs) to overseas financial institutions, regional development banks, sovereign governments and other entities overseas. The Indian exporters can obtain payment for eligible value from Exim Bank, without recourse to them, against negotiation of shipping documents.

Exim Bank has recently extended the following LOCs, at the behest of the Indian Government to enhance bilateral trade relations with the African region.

- LOC of US\$ 26.8 mn to Government of Cote d'Ivoire;
- LOC of US\$ 27 mn to Government of Mali;
- LOC of US\$ 87 mn to Government of Ghana;
- LOC of US\$ 50 mn to Government of Chad;
- LOC of US\$ 15 mn to Government of Equatorial Guinea;
- LOC of US\$ 27.7 million to Government of Senegal and Mali (combined); and
- LOC of US\$ 31 million to Government of Burkina Faso.

These LOCs have been extended under the "Team-9" initiative (Techno-Economic Approach for Africa-India Movement), which has been set up as a regional cooperation mechanism between India and the Governments of Burkina Faso, Chad, Cote d'Ivoire, Equatorial Guinea, Ghana, Guinea Bissau, Mali, and Senegal. Under the "Team-9" initiative, the Indian Government provides LOCs through Exim Bank to finance setting up of various projects by Indian companies in these countries. Exim Bank will reimburse 100 per cent of contract value to the Indian exporters, upfront upon the shipment of goods, under the LOCs.

The LOC to Cote d'Ivoire has been extended for financing projects, namely renewal of urban transport system in Abidjan with buses to be procured from India, and



agricultural projects in the field of vegetable oil extraction, fruits and vegetables, production of cocoa, coffee in Cote d'Ivoire. The LOC to Mali is earmarked for financing rural electrification and setting up of agro machinery and tractor assembly plant in Mali. Exim Bank already has in place, a line of credit of US\$ 10 mn to the West African Development Bank (BOAD), which can be utilized by the member countries of BOAD, including Cote d'Ivoire and Mali. The LOCs to Cote d'Ivoire and Mali represent a major initiative of Exim Bank to enhance trade and investment relations between India and the West African region.

The LOC to Ghana has been earmarked for: financing India's exports to Ghana for rural electrification, agriculture, transportation and communication sectors in Ghana; and for rural electrification and a construction of project, respectively. Under the LOCs to Ghana, Exim Bank will reimburse 100 percent of contract value to the Indian exporters, upfront upon the shipment of goods.

Exim Bank extended an LOC of US\$ 50 mn, at the behest of

the Indian Government to the Government of Chad. Out of this, US\$ 24.5 million have been earmarked for setting up a cotton yarn plant, US\$ 11.5 million for a steel billet plant and a rolling mill, US\$ 10 million for an agricultural assembly equipment plant, and US\$ 4 million for a bicycle plant. Under the LOC, Exim Bank will reimburse 100 percent of contract value to the Indian exporters, upfront upon the shipment of goods.

The LOC of US\$ 15 million extended by Exim Bank to the Government of Equatorial Guinea, at the behest of the Government of India, has been earmarked for financing of exports from India for a potable drinking water plant project in Equatorial Guinea.

The combined LOC to Senegal and Mali has been extended for export of railway coaches and locomotives from India to the two West African countries, while the LOC to Burkina Faso has been extended for an agricultural project and construction of a post office in the West African nation.

Exim Bank has also extended an LOC of US\$ 33.5 mn to the Government of Congo D.R., at the behest of the Government of India, under the New Partnership for Africa's Development (NEPAD) initiative. The LOC to Congo D.R. has been earmarked for setting up a cement factory, for acquisition of buses, for rehabilitation of mine of Idsenge Manganese, and for acquisition of equipments for Miniére de Bakwanga (MIBA). Congo D.R.'s real GDP is forecast to grow at 6.5 percent in 2005 and 8.0 percent in 2006. India's exports to the DR Congo rose substantially by 40 percent to US\$ 86 million in 2004-05 from US\$ 61 million in 2003-04, mainly on account of rise in the exports of manmade yarn fabrics madeups, and drugs, pharmaceuticals and fine chemicals. The above LOC would serve to enhance India's trade with Congo D.R.

Exim Bank has in place a number of Lines of Credit for promoting India's exports to countries in Africa, Asia, Latin America, East Europe and Russia. Exim Bank's LOCs afford a risk-free, non-recourse export financing option to Indian exporters. ■

GlaxoSmithKline to scale up HIV/AIDS healthcare in Kenya

GlaxoSmithKline [NYSE: GSK] has announced a new \$1.8 million program to improve and scale up HIV/AIDS healthcare services at 60 facilities in Kenya. The program, a collaboration with AMREF (African Medical and Research Foundation), Elizabeth Glaser Pediatric AIDS Foundation and the National Empowerment Network of People Living with HIV and AIDS in Kenya (NEPHAK), will advance healthcare delivery and strengthen access to support services in the most deeply affected communities.

"Together we will bring hope and improved treatment to thousands of people affected by HIV and AIDS in Kenya," said Dr. Jean Pierre Garnier, CEO GlaxoSmithKline, at the AMREF 'Year of Africa' event in New York recently.

This new project focuses on training healthcare professionals and integrating community support and outreach services to combat stigma and discrimination. The model involves placing a range of HIV/AIDS treatment and support services into comprehensive care clinics to help patients avoid the stigma of an HIV clinic. This three-year project, funded by GSK's Positive Action community support program, has the potential to be rolled out across Kenya and other countries.

Fewer than 10 percent of Kenyan people know their HIV

status. Fear of stigmatization and discrimination is a significant barrier limiting the numbers of people seeking testing, diagnosis and treatment services. Despite increased funding and scale up of healthcare facilities providing HIV therapy, only 1.5 million of the 6.0 million people estimated to need treatment for HIV/AIDS are receiving available antiretroviral therapy. The majority of these people live in sub-Saharan Africa. Misinformation, cultural barriers and poverty are preventing millions of people from accessing HIV/AIDS prevention and healthcare services.

The program's objectives are to:

1. Improve clinical practice by providing training in current clinical and laboratory practices
2. Increase take up of Voluntary Counselling and Testing through community outreach and awareness
3. Increase women's uptake of Prevention of Mother To Child Transmission treatment and pediatric care services
4. support treatment adherence by creating sustainable patient self-help groups

The program will be led from AMREF's Nairobi headquarters and is expected to begin in November.

Indo-African bilateral trade crosses \$9 billion in 2004-05

A Matter of Synergy

Recent trends in Indo-African trade relation attest to the synergy that exists between the two regions, and the potential to further enhance commercial relations.

Trends in Total Trade

Synergy that exists between India and Africa can be gauged from the fact that bilateral trade has soared to a high of US\$ 9.14 billion in 2004-05 from mere US\$ 967 million in 1990-91, due to rise in both exports to and imports from the African region (Table 1). India's exports to Africa reached US\$ 5.4 billion in 2004-05 from a relatively low figure of US\$ 394 million in 1990-91. As a result, the share of Africa in India's total exports has risen from a marginal 2.2% in 1990-91 to a healthy 6.8% in 2004-05.

Concomitant rise in imports from Africa during the comparable period attest to increased two-way trade relations, wherein India's imports from Africa have risen from US\$ 573 million in 1990-91 to US\$ 3.8 billion in 2004-05, with a resultant 3.5% share in India's total imports, up from 2.4% share in 1990-91.

Table 1: India's Trade with Africa

	(US\$ mn)						
	199899	199900	200001	200102	200203	200304	200405
Exports	2082.7	1898.3	2360.2	2897.1	3139.9	3869.3	5381.7
% change	8.4	-8.9	24.3	22.7	8.4	23.2	39.1
Imports	3816.2	6619.8	2063.3	2616.3	3446.5	3208.4	3758.2
% change	30.5	73.5	-68.8	26.8	31.7	-6.9	17.1
Total Trade	5898.9	8518.1	4423.5	5513.4	6586.4	7077.7	9139.9
Trade Balance	-1733.5	-4721.5	296.9	280.8	-306.6	660.9	1623.5

Source: Directorate General of Commercial Intelligence & Statistics (DGCIIS), Ministry of Commerce and Industry (MOCI), Government of India

Bilateral Trade during 2004-05

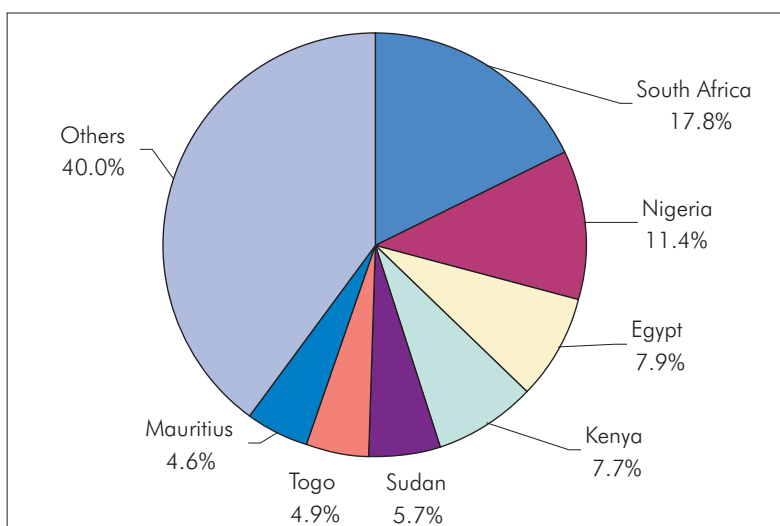
During the year 2004-05, India's exports to Africa registered a sharp rise of 39.1% to reach US\$ 5.4 billion, from US\$ 3.9 billion during the previous year. India's imports from Africa, also recovered in 2004-05 to US\$ 3.8 billion from that of US\$ 3.2 billion during the previous year, a rise of 17.1%. Consequently, India's trade surplus with Africa increased from US\$ 660.9 million in 2003-04 to US\$ 1.6 billion in 2004-05.

Major Trading Partners

As regards major trading partners in the African region, South Africa replaced Nigeria as the leading destination for India's exports during 2004-05, accounting for 17.8% of total exports to Africa. Other major export destinations include Nigeria (11.4% of total exports to Africa), Egypt (7.9%), Kenya (7.7%), Sudan

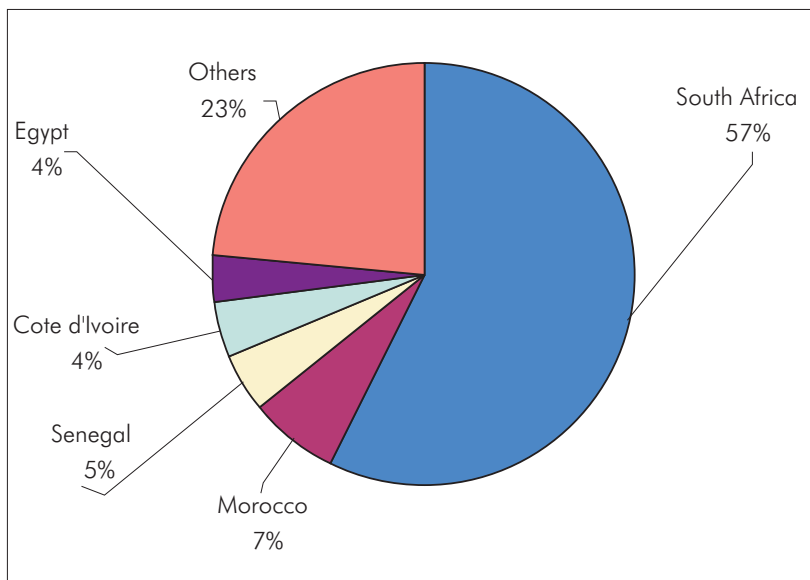
(5.7%), Togo (4.9%), Mauritius (4.6%), Algeria (4.2%), and Ghana (3.2%) (Chart 1).

Chart 1: India's Major Export Destinations in Africa (2004-05)



As regards India's imports from Africa, South Africa dominates with a significant share of 57.3% of India's total imports from Africa during 2004-05. Morocco is the second largest import source with a share of 6.8%, followed by Morocco (7%), Senegal (4.5%), Cote d'Ivoire (4.2%) and Egypt (3.6%) during 2004-05 (Chart 2).

Chart 2: India's Major Import Sources in Africa (2004-05)



Major Traded Items

Exports

Petroleum products were the largest items in India's export basket to Africa, with a share of 13% of India's total exports to Africa during 2004-05. Other important items of exports to Africa include manufactures of metals (9.6%), drugs and pharmaceuticals (8.4%), machinery and instruments (8.2%), non-basmati rice (8.1%), transport equipment (7.8%), cotton-yarn fabrics madeups (7.4%), and primary & semi-finished iron and steel (5.2%).

Petroleum products have emerged as an important item of exports in recent years. From a marginal US\$ 1.4 million in 2000-01, India's exports of petroleum products to Africa rose to US\$ 698.1 million in 2004-05, thereby emerging as the top export item to Africa. Other items, which have witnessed rapid rise in recent years, include manufacture of metals, machinery & instruments and non-basmati rice.

Nigeria is an important market for India's exports of drugs and pharmaceuticals, machinery and instruments, and manufactures of metals, and figures among the top 10 global markets for these commodities. Further, Nigeria ranks among the top 10 global markets for India's exports of transport equipments during 2004-05.

Imports

Gold dominates India's import basket from Africa with a significant share of 42.3% during 2004-05. Other major imports from Africa include inorganic chemicals (16.2%), cashew nuts (8.8%), metaliferrous ores & metal scrap (5.7%), wood and wood products (4.0%), raw cotton (3.4%) and crude fertiliser (2%).

During the period 1997-98 to 2004-05, imports items, which have registered the fastest growth include raw cotton, metaliferrous ores and metal scrap, pulp and waste paper, pulses and leather.

The African region is an important source for India's imports of several items. South Africa is the fourth largest source, after Switzerland, Australia and the UAE for India's gold imports accounting for 15.5% (US\$ 1.6 billion) of India's total gold imports (US\$ 10.3 billion) during 2004-05.

Morocco, South Africa, and Senegal, were the three largest sources of India's global imports, accounting for 13.8%, 9.3% and 9.2%, respectively, of India's total imports of inorganic chemicals (US\$ 1.6 billion) during 2004-05.

In cashew nuts, Cote d'Ivoire, Guinea-Bissau, and Tanzania are the three largest sources for India's global imports. During 2004-05, these three countries accounted for 20.5%, 17.8% and 14.9%, respectively, of India's total cashew nuts imports (US\$ 392 million).

Further, Egypt, Mali, Sudan, Benin, Tanzania, Burkina Faso and Cote d'Ivoire ranked among the top 10 sources for India's global imports of raw cotton during 2004-05. In wood and wood products, Cote d'Ivoire, Gabon, and Benin are among the top ten largest sources for India's imports during the same year.

Bilateral Trade during April-June, 2005-06

Trends in Indo-African trade have registered sustained growth during the year 2005-06. During the first quarter April-June, 2005-06, India's exports to Africa rise sharply by 63.1% to US\$ 1.55 billion, from that of US\$ 0.95 billion during the corresponding quarter of the previous year. India's imports from Africa also registered a growth of 35.5% to US\$ 1.07 billion during April-June 2005-06, from that of US\$ 0.79 billion during the corresponding period of the previous year. ■

Paris Club writes off \$18-billion Nigerian Debt

On October 20, 2005, Nigeria reached an agreement with its largest creditors, grouped in what is known as the Paris Club. The agreement will lead to the cancellation of a large portion of Nigeria's massive \$35.9 billion debt, 85.8% of which is owed to the Paris Club. The debt had built up over many years, following loans given by France, Germany, Japan, the United Kingdom and others to a string of Nigerian military rulers.

Under the latest agreement, Nigeria has been granted cancellation of \$18 billion of its eligible debt. But, to receive this deal, Nigeria had to commit to paying the Paris Club nations \$12.4 billion, mainly to France, the UK, and Germany. This figure comprises \$6.3 billion in arrears to be paid by the end of October, plus another \$6.1 billion for a debt buy-back operation next March.

"The Nigerian debt deal is a win-win solution," said Todd Moss, a leading scholar on Nigeria's debt at the Center for Global Development (CGD). "It is a huge boost for Nigeria, where the current leadership is working to break the stranglehold of cronyism and corruption. It is also good news for the U.S. and other rich countries, since greater stability in Nigeria reduces the risk of a major disruption in global oil supplies."

The Nigerian deal is the outcome of more than a year's worth of negotiations that gained momentum in June with a World Bank decision to reclassify Nigeria in a way that made it eligible for debt relief. Nigeria accounts for about 10% of U.S. oil imports and is one of the world's poorest and most populous countries, with 100 million people living on less than a dollar a day.

Moss said that Nigerian President Olusegun Obasanjo faces a hostile parliament that has made debt relief a major test of his administration. "The debt deal will strengthen Obasanjo's hand in pushing for reforms, thereby reducing the threat of instability," he said.

Under the deal, Nigeria's overall debt drops by about \$30 billion. Nigeria will use windfall oil profits to pay rich country creditors roughly \$6 billion to clear arrears, plus another \$6 billion to buy back \$24 billion at about twenty-five cents on the dollar. The deal saves Nigeria \$18 billion it otherwise would have owed. When all is done, only a manageable \$6 billion in commercial debt will remain.

CGD is an independent Washington-based think tank that works to improve the policies of the U.S. and other rich countries towards development. Research at CGD on Nigeria's debt led by Moss helped to shape the proposals that were announced today.



Dr (Mrs) Ngozi OKONJO-IWEALA
Minister of Finance.

"This agreement extracts \$12.4 billion from Africa and transfers it to a group of wealthy countries who do not really need the money," said Dr. Paul Zeitz, Director of the Global AIDS Alliance. "It is an outrage that creditors simply plan to use this payment to fill their treasuries. The annual budget of such creditors as Japan and the United Kingdom is over 100 times that of Nigeria. Surely we can do better than accepting taking billions from the world's poorest continent. We expect more from the G8 nations, who promised Africa so much in their Gleanagles declaration in July."

"Nigeria's government has made the best of a terrible situation," he noted. "In the long run, Nigeria could save a billion dollars a year in debt repayments and potentially double health spending. That is an impressive achievement. Nigeria has the third highest number of HIV positive people in the world, and with these resources it could scale up AIDS treatment."

"However, the creditors should be ashamed of themselves if they simply take this money," Zeitz stated. "These creditors often knew that the money would be siphoned off by dictators and deposited in western banks, and the resulting debt is morally illegitimate. They bear a moral obligation to think more creatively about how to use this money. Nigeria has already paid these creditors \$11.6 billion in debt service since 1985. We challenge the creditors to redirect this additional \$12.4 billion to Africa's development."

"A substantial portion of this sum should be given to the Global Fund to Fight AIDS, Tb and Malaria and specified for high-quality health projects in Africa," Zeitz said. "The Global Fund has stated that it urgently needs greater contributions to proceed with additional grant-making next year."

"The contribution of Nigeria's debt payments would revolutionize the financial status of the Global Fund. Let's make sure African resources go towards helping Africa, not wealthy nations."

The Nigerian delegation was headed by Dr (Mrs) Ngozi OKONJO-IWEALA, Minister of Finance. The meeting was chaired by Mr. Xavier MUSCA, Director General of the Treasury and Economic Policy Department of the Ministry of Economy, Finance and Industry, Chairman of the Paris Club.

To stop land degradation and step up farm output...

The \$4-billion TerrAfrica Initiative Launched



With about 65 percent of Africa's population affected by land degradation, and over 3.0 percent of agricultural GDP lost annually to soil and nutrient loss in Sub-Saharan Africa, a new partnership - TerrAfrica - the largest of its kind to address land degradation and increase sustainable land management throughout the region was announced at the seventh session of the UN Conference of the Parties on Desertification, held recently in Nairobi.

TerrAfrica has been developed in partnership with and based on the calls for action from the UNCCD, as well as from the New Partnership for Africa's Development (NEPAD) Comprehensive Africa Agriculture Development Programme and the NEPAD Environmental Action Plan, and the G8 Gleneagles Summit Africa statement.

"NEPAD's Comprehensive African Agricultural Development Program (CAADP)," said Professor Firmino Mucavele, NEPAD Chief Executive, "aims to raise agricultural productivity 6.0 percent per year by 2015. However, the CAADP target cannot be achieved by any Sub Saharan African country on a sustainable basis without corresponding, mainstreamed investments in Sustainable Land Management. This is why NEPAD strongly supports the TerrAfrica partnership as the platform for delivering on the land management agenda."

Briefing the media after a one-day workshop in Nairobi, Mucavele said Nepad's environmental action plan recognised that land degradation and desertification was a fundamental challenge that needed to be addressed

Prof Mucavele said land degradation and low productivity in the agricultural sector were interlinked and responsible for critical food shortages experienced in many African countries.

"Nepad's goal of increasing the rate of agricultural productivity above six percent per annum will only be possible if the current trend in land degradation is halted and reserved into an improvement in yield per hectare," said Prof Mucavele.

He explained that TerrAfrica would focus on addressing the "bottlenecks" and barriers to sustainable land management in a systematic way in which the full potential of membership would be utilized.

It would also focus on mainstreaming the issue of sustainable land management into development policies. "It is through these processes that we aim to unlock resources that are made available for Africa's development," he said.

Prof Mucavele said governments had committed themselves to allocating 10 percent of their national budgets to agriculture and rural development and the recent commitments from the G8 summit and the recommendations in the Commission for Africa report gave Nepad confidence that they could meet the challenges.

Stephen Kalonzo Musyoka, President of the Conference of the Parties and Minister of Environment and Natural Resources, Kenya, said: "I call upon people of goodwill to support this initiative, and am glad to note the participation of partners at all levels - international, national, and community levels."

The UN Convention to Combat Desertification (UNCCD) is the international community's response to the land degradation problem, but in spite of the severity of the problem, investments in sustainable land management in Sub-Saharan Africa are limited, and in-country prioritization is sporadic.

"At its least," said Warren Evans, World Bank Director of Environment, "land degradation marginalizes efforts at all levels to secure Africa's long-term food security, economic growth, rural land-use productivity, and ecosystem services. At its worst, the exacerbation of land degradation by climate change could trigger large-scale migrations, intra-regional conflicts and instability, and a breakdown of vital ecosystem services. The TerrAfrica partnership creates a new means to address a long-standing problem in a systemic and coordinated way, and this would not be possible without the participation of all the partners."

World Bank's Africa Plan

Evans added that, "TerrAfrica is unique in that it will look at the root causes of land degradation, as well as the barriers and disconnects between demand for investments in support of SLM and the major delivery and financing mechanisms both at the domestic and international levels. The partnership is directly in support of the World Bank's Africa Action Plan. TerrAfrica is a programmatic as well as a partnership approach - allowing the response to the problem to be larger than the sum of its parts."

The TerrAfrica business model is based on the assumption that no one institution can address this problem alone. The initiative is a coalition in support of collective action by African governments, NEPAD, the UNCCD Secretariat, the UNCCD Global Mechanism, the Global Environment Facility (GEF), the International Fund for Agricultural Development (IFAD), the United Nations' Food and Agriculture Organization (FAO), the European

Commission, the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP), the African Development Bank (AfDB), Norway, multilaterals, regional and sub-regional organizations, bilateral donors, civil society, and scientific organizations, including the Forum for Agricultural Research for Africa (FARA) and Consultative Group on International Agricultural Research (CGIAR) centers, and farmers and local communities who are the final custodians of the land.

As stated by Wangari Maathai, Assistant Minister, Ministry of Environment and Natural Resources, Kenya, "We know that there are many good practices going on in Sub-Saharan Africa, both by governments and civil society - it is important that these be scaled up so that we don't need to 'reinvent the wheel'. TerrAfrica provides us with that platform. The challenge is to not only mobilize the communities on this issue, but to include them so they become part of the elements of change."

TerrAfrica is also a response to the Paris Declaration on Aid Effectiveness of March 2005 which, while recognizing that the volume of aid must increase, also emphasizes the principles of ownership, harmonization, results orientation, and mutual accountability.



The land degradation problem

Land degradation is potentially the most threatening ecosystem change directly impacting the livelihoods of the poor. Two thirds of the world's hungry people live in rural areas of developing countries, and about half live in farm households on marginal lands where environmental degradation threatens agricultural production. Experience has shown that land degradation generates a vicious circle, forcing the affected communities to extract as much as they can from the land for food, energy, housing and income, thus creating a dynamic of self-sustained impoverishment. Under this scenario, the poor become both the causes and the victims of land degradation. This must be tackled through a multi-layered approach, which places the

environmental dimension of land degradation firmly within a broader socio-economic framework, and through investment in alternative livelihoods.

A key tool in this process is the UNCCD-sponsored National Action Programmes, which have to be well integrated into poverty reduction and investment strategies. Imperative for their successful implementation is strong cooperation and coordination among all stakeholders and at all levels: local, national and international.

Year of Deserts & Desertification

"We strongly support and are greatly encouraged by the prospect that TerrAfrica will facilitate the mobilization of partners, including African countries themselves, to a long-term commitment to combat desertification in Africa," said Hama Arba Diallo, Executive Secretary of the UNCCCD Secretariat. "Only then can the vicious circle of land degradation and poverty be broken. In recognition of the importance of the issue, 2006 has been declared the International Year of Deserts and Desertification."

TerrAfrica- Moving Sustainable Land Management into the Mainstream

Increasing the practice of Sustainable Land Management (SLM) can reverse this trend by addressing not just the physical manifestations of land degradation but also its root causes. The SLM concept combines technologies, policies, and activities aimed at integrating socio-economic principles with environmental concerns to simultaneously maintain or enhance natural resource based production systems, protect the natural resource base, be economically viable and socially acceptable.

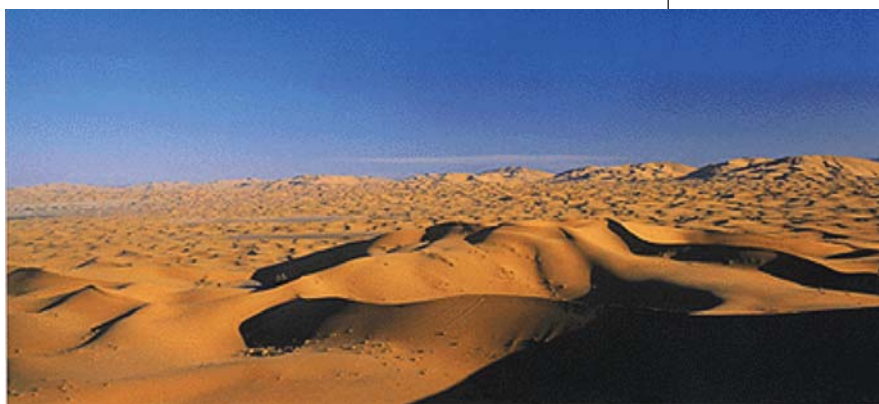


A number of steps have already been taken to address the land degradation issue. However progress in implementing sustainable land management activities is being hindered by a number of bottlenecks, including: a limited understanding of the costs of land degradation, a lack of stakeholder participation, difficulties in mobilizing adequate resources, inadequate monitoring and evaluation indicators, and uncoordinated interventions in the countries and regions.

TerrAfrica is an initiative that aims to unlock financial and institutional resources and enable countries with the support of regional institutions and the international community to address land degradation along this integrated approach. TerrAfrica operates at both the country and regional levels. The TerrAfrica Business Plan centers on seven key objectives that are seen as pivotal to achieving the primary goal of enabling governments, communities, and civil society of Sub-Saharan Africa, the international development community and other global, regional, and national stakeholders to better work together to scale up the financing and mainstreaming of effective and efficient nationally-driven SLM strategies.

GEF Programme

"Since 2002, land degradation has been a primary focus of GEF environmental activities and programs to alleviate its threat to the global environment and peoples' livelihoods," said Len Good, Chairman/CEO of GEF. "One of those programs is the GEF Country Partnership for Sustainable Land Management, which is currently under implementation in some ten countries globally to address the problem of land degradation in a coordinated, comprehensive, and cost effective way. TerrAfrica is an expansion of this GEF program in Africa which has been commended by partners from all over the world. GEF is pleased to join other partners in TerrAfrica to focus special





attention to resolving the problem of land degradation in Sub-Saharan Africa - the most affected part of the world."

Three-pronged Activity

TerrAfrica is built around three activity lines - 1) coalition-building, 2) knowledge generation and management, and 3) investments - to implement a strategic approach that improves the efficiency and effectiveness of collective effort in support of SLM and increases the scope and scale of financing. These three activity lines aim to:

1. Build African-owned coalitions and strategic partnerships at global and regional levels in support of country level activities
2. Develop inclusive regional dialogue and advocacy on strategic priorities, enabling conditions, and delivery mechanisms to support country level activities
3. Support high quality knowledge based mechanisms to guide investments and decision-making at all levels
4. Generate stronger analytical underpinnings
5. Harmonize monitoring and evaluation systems
6. Advocate for SLM and mainstreaming into development strategies, financing, and policy dialogues at sub-regional, country, and local levels
7. Develop, mobilize, and harmonize investments at sub-regional, country, and local levels

\$4-billion investment target

TerrAfrica's target is to reach an investment of at least \$4 billion over a 12-year period. TerrAfrica will further contribute to reaching NEPAD's goals of increasing agricultural productivity by 6.0 percent per year and allocating at least 10 percent of national budgets to agriculture. TerrAfrica will also contribute to reaching the Millennium Development Goals related to Poverty Reduction, Environmental Sustainability, and to Develop

Global Partnerships for Development.

According to Klaus Toepfer, Executive Director of the United Nations Environment Programme (UNEP), "Environmental economists now estimate that for every dollar carefully targeted and invested in fighting land degradation there can be a three-dollar return. Therefore, the time has come to give big backing to the new national plans to combat desertification. TerrAfrica, an unprecedented alliance with the aim of securing \$4 billion, promises to do just that. It promises to be a real shot in the arm to restoring the health of the continent's fragile lands and overcome the seemingly relentless slide."

And as stated by Christian Mersmann, Managing Director of the UNCCD Global Mechanism, "Everyone has individually been striving to address this issue of land degradation. However, this is the first time the African countries and the development community have come together as equal partners on a common platform - TerrAfrica - to share information and take action to address the mobilization of substantive financial resources through mainstreaming and other appropriate actions. These steps are critical prerequisites to meeting the Millennium Development Goals in Africa, particularly the poverty and environment goals."

Stakeholders

"The world today has realized," said Moshe Ts'ehlo, Country Coordinator for the Participatory Ecological Land Use Management organization, "that it is only through cooperation and coordination among stakeholders at all levels of society that desertification can be addressed. It is in this context that TerrAfrica is offering such an opportunity with a clear focus on sustainable land management."

World Bank Environmental, Rural and Social Development Sector Manager Richard Scobey said his organisation would manage over 100-million US Dollars from the Global Environmental Facility over a period of four years in support of rural development.

"It is a difficult challenge for African countries to contribute 10 percent towards Nepad's activities, their accounting systems are so strong and their total needs are also high.

"We want to work with them to improve their macro-economic development and economic activities so that they have more resources," said Mr Scobey.

He said the World Bank was spending about 715-million US Dollars to a billion to support agricultural and rural development in different countries and programmes of regional economic communities.

Kibaki Calls for Help on Desertification

President Mwai Kibaki has called on the international community to increase financial and technological support in combating the effects of desertification.

The President was speaking Monday at UNEP headquarters in Gigiri, Nairobi when he opened the 7th session of the Conference of parties of the United Nations Convention to Combat Desertification.

He noted that desertification affects over one billion people worldwide, adding that in Africa it affects 39 per cent of total area of the continent and threatens the livelihoods of millions of people.

Said the President, "For us in Kenya, there is a clear linkage between environmental problems and poverty. In this regard there is need to enhance targeted research on land degradation and poverty eradication."

Noting that the implementation of the Convention continues to suffer from serious inadequacy of financial resources, President Kibaki said the main challenge was in translating the obligations and guidance of the Convention into concrete actions.

President Kibaki emphasized the pivotal role of the global Environment facility as a financial mechanism for the implementation of the convention, noting that during the sixth Conference of Parties held in Havana, Cuba, the Global Environment Facility accepted to fund the Convention.

"The majority of the member countries have made efforts to prepare national action plans to combat desertification as required of them in fulfilling their obligations in the context of the convention," he added.

He expressed hope that the Global Environmental Facility will support implementation of the convention by making available adequate funds for the implementation of these national action plans, as well as the sub-regional and regional action plans that are already in place.

The head of State pointed out that achievement of the objectives of the convention would have an enormous impact especially to those countries experiencing serious droughts.

"It would also pave the way for the achievement of the Millennium development Goals in countries severely affected by desertification," he emphasized.

The President further called for increased support for New partnership for Africa's Development (NEPAD) environmental initiative, saying it would serve as a strategic framework for a strong partnership between Africa and its

principal development partners.

He said there was need to speed up implementation of relevant programmes and projects within the context of the United Nations Convention to Combat Desertification as well as those under the umbrella of the NEPAD.

"There is need to promote linkages between the convention and other instruments such as the national poverty reduction strategy papers, the Rio declaration on environment and development and the world summit on sustainable development plan of implementation," he added.

On its part, the President noted that the government had put in place long-term measures to combat desertification, promote sustainable livelihoods and mitigate the rampant poverty in the arid and semi-arid areas.

He said, "The government's economic recovery strategy for wealth and employment creation, the ASAL policy and the strategy for revitalization of Agriculture propose some long term measures that my government is undertaking to combat desertification."

President Kibaki expressed satisfaction that Kenya's report on the implementation of the convention had been reviewed together with other reports from other African countries in Bonn, Germany last year.

"We consider such reviews of the process of implementation of the Convention to be crucial, because they provide opportunities for assessing the progress we are making and the problems confronting us," he observed.

Noting that 80 percent of the country was arid and semi-arid, President Kibaki expressed hope that the objectives of the convention and the outcome of the deliberations of the session will have a direct bearing to Kenya as the country endeavours to fight desertification.

He said, "The ASAL areas make up more than 80 percent of the landmass and support nearly half of the livestock population and over 30 percent of the total human population. In this there is need to enhance targeted research on land degradation and poverty eradication."

Other speakers included the President of the session and minister for environment and natural resources Mr. Kalonzo Musyoka, the nobel laureate and renowned environmentalist Prof. Wangari Mathai, the UNEP executive director Klaus Topfer and the President of the sixth session and Cuba's minister for science, technology and environment Jose Quque. ■

Africa Infrastructure Consortium takes shape

The African Development Bank (AfDB) Group has begun to put in place the necessary structures and facilities required to host the secretariat of the Africa Infrastructure Consortium.

The inaugural meeting of the Infrastructure Consortium, which is composed of key African institutions and donors, was held on 6 October 2005 in London where the Bank was mandated to host the all-important Secretariat of the Consortium. The Secretariat will facilitate close collaboration between the Consortium and the African Union, NEPAD, the Regional Economic Communities and the Bank on the development of infrastructure.

President Donald Kaberuka, who led the Bank's delegation to the London meeting, has stressed the importance of infrastructure development in the region. He pointed out that 39 percent of all AfDB Group project approvals in 2004 were for infrastructure.

The Consortium is a major new effort to accelerate progress to meet the urgent infrastructure needs of Africa in support of economic growth and development. It will address both national and regional constraints to infrastructure development, with emphasis on regional infrastructure, in line with the prevailing challenges at the

regional level.

Members of the Consortium are expected to be more effective at supporting infrastructure in Africa by pooling efforts in selected areas such as information sharing, project development, and dissemination of good practice.

In acknowledging that infrastructure is key to accelerating growth, reducing poverty and promoting regional integration in Africa, the Consortium agreed to work together to ensure more effective and sustainable infrastructure activity on a larger scale, by drawing on the resources and expertise of both the private and public sectors. The Consortium promised to undertake intensive work, with others, and drawing on past lessons, ensure that the most effective approaches across the range of infrastructure sectors are adopted.

The Consortium plans to identify and overcome project development, financing, capacity, and business environment constraints, in a cooperative spirit that recognizes the comparative advantages of different donors, with emphasis on the need for greater coherence of donor efforts to reduce transaction costs and ensure more effective and efficient delivery of funding consistent with the commitments made in Paris on harmonization. ■

Dovetail national policies into NEPAD programmes - Nigerian President Obasanjo

Nigeria's President Olusegun has said that effective, well-implemented national policies should supplement the New Partnership for African Development (NEPAD), which should consequently satisfy the Millennium Development Goals of the United Nations.

Obasanjo, who spoke after receiving a progress report from Chief Goodie Ibru, President of the NEPAD Business Group, Nigeria, in Abuja recently, said Nigeria's comprehensive agricultural programme had already achieved success both in terms of supplying food to the country and Africa, as well as raw materials for manufacturing.

The President agreed with Chief Ibru that Nigeria should concentrate, initially on agriculture and manufacturing since "these two sector are symbiotic and support each other. They also provide the largest number of jobs".

He said, "If Nigeria pays attention to agriculture, solid minerals and oil we will have a thriving manufacturing

sector. Of course tourism and gas are huge foreign exchange earners and job providers and remain part of our priority. We are already second in gas and should be first, globally, in a few years", he said.

Obasanjo thanked the NEPAD Business Group, Nigeria for the efforts and assured them of his support to ensuring the successful execution of their mandate.

Earlier, Ibru had told the President that the Group was delighted at the progress that Government policies had enabled the country to achieve. He also commended efforts to strengthen the country's infrastructure, especially power.

He also said the NEPAD Business Group, Nigeria, recognising the crucial role of availability of funds for investment, had commenced a pilot scheme for micro-credit and would cooperate with the government in this particular important area. ■

e-Schools Initiative: NEPAD bags "Visionary 2005 Award"

The New Partnership for Africa's Development (NEPAD) received the Global Intelligent Community Visionary of the Year 2005 award at the Intelligent Community Forum (ICF) conference, for its Nepad e-schools initiative, which is managed by the Nepad e-Africa Commission. The prestigious award was received by Nigerian deputy ambassador to the UN Dr Simeon Adekanye.

The scope and intention of Nepad's plan, the degree of success it has had to date in generating financial support and the private sector's collaboration, as well as its understanding that satellite communications are key to broadband access in more areas of the world, led ICF's committee to acknowledge Nepad in 2005.

According to the ICF, in its effort to connect the schools to the Internet, and therefore to the global infrastructure, where knowledge workers and future opportunities will be created, Nepad has shown total commitment to leveraging the capabilities of satellite technology.

"This is the first time that African governments, the private sector, foundations, development agencies and civil society

organisations have come together for a common ICT project developed and driven by Africans and for Africa," says Nepad e-Africa Commission deputy executive chairperson Dr Henry Chasia.

"Broadband information and communication technology will be key to the success of our e-schools project as we intend to procure satellite capacity in bulk and make it available for the connection of Nepad e-schools to the Internet," Dr. Chasia adds. The ten-year NEPAD flagship e-schools initiative involves the establishment of an Africa-wide satellite network that will connect the schools to the Internet as well as to points within each country from which educational content will be fed to the schools on a continuous basis. It also involves ICT training of teachers and students, content and curriculum development, community involvement and participation, and establishment of 'health points'.

The NEPAD e-schools demonstration project has been identified as a critical initial step for the implementation of the e-schools project. Six schools, from each of the participating countries, will initially benefit from the e-schools demonstration. The countries are Algeria, Burkina Faso, Cameroon, DRC, Egypt, Ethiopia, Gabon, Ghana, Kenya, Lesotho, Mali, Mauritius, Mozambique, Nigeria, Rwanda, Senegal, South Africa, and Uganda. The heads of state governments will officially launch the first Nepad e-schools in their respective countries.

The partnership created by the commission for the purpose of fulfilling the objectives of the NEPAD's ICT programme is known as Information Society Partnership for Africa's development. Private-sector partners leading the consortium for the NEPAD e-schools demonstration programme are HP, Microsoft Corporation, satellite operator Inmarsat, Oracle Corporation and Cisco Systems.



Bio2Biz: Towards a strategy to boost African food output

The Department of Science and Technology unveiled the national biotechnology strategy for South Africa at the opening of the Bio2Biz conference in Johannesburg recently.

"South Africa has embarked on a very gentle start of the S-curve which will lead to the new industrial revolution of the biotechnology era," said Ben Durham, director of the Biotechnology Unity in the DST, addressing hundreds of delegates from South Africa, India, Brazil, the USA, Europe, and across Africa.

Durham said there was a huge opportunity, which the country was only just now beginning to realize. "We have to position ourselves on the wave such that we can go along for the ride and maximize the opportunities in the biotechnology sphere. In a process that started in 2001, we now have a much more concrete operational document to work from," he said.

Bio2Biz is the annual international conference on biotechnology and was launched last year as part of the celebrations to mark 10 years of democracy in South Africa. This year highlights a science and technology milestone for SA as it applauds a decade of biotech commercialisation. The two-day conference was jointly hosted by the DST's Biotech Regional Innovation Centres (BRICs) and National Biotech Instruments (NBI).

Durham broadly outlined South Africa's weaknesses in the biotech sector, saying one of the disadvantages was the country's embryonic stage of development. Other challenges included the lack of bio-to-biz skills and the transferring of ideas into marketable products, the weak alignment of initiatives and the fact that government and parastatals don't have a single view, a lack of resources, and regional differences.

Dr Mark Fyvie, CEO of Cape Biotech, said one of the primary objectives of the conference was to address these weaknesses and in doing so, build on the economic and social value of the industry.

South Africa's strengths, said Fyvie, lies in its unrivalled biodiversity, the potential for leadership in Africa, strong international political goodwill, excellent infrastructure, biosafety legislation and most importantly, the national biotechnology strategy.

"The conference is crucial to the rollout of the national strategy and thus, making South Africa a global hotspot of

the biotechnology industry," he said.

Taking biotech in Africa to a new level

One of the hottest topics of discussion at the Bio2Biz 2005 conference centred on biotechnology in Africa and how it could be taken to a new level in alleviating poverty and malnutrition on the continent.

Dr Florence Wambugu, chief executive officer of Africa Harvest Biotech Foundation International based in Kenya, said the thinking around biotechnology in Africa needs to change and a more "out of the box" approach needs to be adopted.

"We need new global interventions and partnerships to work with Africa. This also means exploring and establishing new funding mechanisms.

"The new structures must be based on maximising Africa's limited scientific and infrastructural capacity and leadership," she said.

Wambugu was conspicuous as the only female speaker at the conference at the Sandton Convention Centre and is a highly respected scientist among her peers. She was very forthright in her criticism of biotechnology in Africa and the challenges it faces. She is a strong believer in the power of biotech to boost food production.

Her role in African Harvest is to ensure that the foundation has a global vision with an African focus to fight poverty, hunger and malnutrition.

Wambugu believes that NEPAD BioSciences Initiatives should be supported and given legs through funding actual research projects. Some of the challenges standing in NEPAD's way include clarifying the role of biosciences in policy development, moving beyond political national and regional boundaries to Africa-wide challenges, and ensuring research and development projects are African-led and address African problems especially those related to poverty, hunger and malnutrition.

She proposed the African Bio-fortified Sorghum Project (ABSP) as a new business model to adopt to feed the 300 million people in arid regions of Africa, who rely on this grain as a primary source of food.

Fyvie added that more African scientists needed to be mentored and trained, and NEPAD's BioSciences Initiative warranted far more support than currently the case, to give them impetus and produce tangible results. ■

As Global Warming worsens...

The Days of Deadlier Disasters Are Here

The world will witness more deadly natural disasters as global warming accelerates, with unchecked population growth putting large numbers of people at risk, a top scientific group has said recently.

The Paris-based International Council for Science recommended an international research body be established as a matter of urgency to provide a firmer basis for policies to tackle the problem.

"The devastating effects of the 1995 Kobe earthquake in Japan, the December 2004 Indian Ocean tsunami and the August 2005 Hurricane Katrina are vivid reminders that natural disasters are a global issue," it said.

"While very large events are, fortunately, fairly rare, the frequency of recorded natural disasters has been rising rapidly."

"We foresee that the severity of the impacts of extreme events will increase in concert with global warming."

In a report to its annual general assembly in Suzhou,

China, the group, one of the oldest non-government organisations in the world, said there were now 2800 natural disasters per decade.

Last year, natural disasters were estimated to have cost \$140-billion.

"Around the globe, population growth in hazardous areas means more and more people are at risk," it said, and blamed humans for helping exacerbate the problem.

"Destruction of mangroves increases the susceptibility of coastal areas to storm damage, and emissions of pollutants and greenhouse gases can increase the frequency of extreme weather events."

It said politicians needed to be better informed, and said there must be more interaction between policy-makers and scientists.

"We have found ample evidence to suggest that policy-makers may at times act in ignorance or disregard of the relevant scientific information and thereby significantly

exacerbate damage resulting from natural hazards," it said.

It cited the failure to make best use of satellite data, failure to invest in prevention, and financial incentives that encourage short-term, localised benefits at the expense of longer-term requirements.

"Today, most national and international investments related to disasters occur after a hazard event in response and recovery whereas relatively little investment has been made in mitigation or prevention," the report said.

It recommended a new research body to look at ways to strengthen cooperation between scientists and policy-makers, and better ways to deliver new scientific insights to development and humanitarian agencies. ■





Mahamat Ali Hasan

\$50 million Exim Bank LOC for Chad in farm & transport sectors

A small opening to a big opportunity



The Minister for Planning, Development and Cooperation of the Republic of Chad, Mahamat Ali Hasan was in India recently to sign a \$50-million Line of Credit with the Export and Import Bank of India. In a detailed interview with Indo-African Business Hasan talked about the projects that would soon be coming up under this credit and how important India's role in helping Chad's development. Excerpts.

The purpose of the visit

The specific purpose of this visit is concerning the signing of \$ 50 million Line of credit, which the Government of India has given to Chad under the G-9 initiative. And it has just been signed with the Export Import Bank of India.

Although we had diplomatic relations for a long time with India, this is the first opportunity to do something concrete in a big way. We appreciate the gesture that has just been made by the Indian government because we believe that this is a major step towards the strengthening of our relations and also an important step towards the diversification of our relationship.

Our needs are immense and this line of credit will not meet all our needs.

Obviously we are looking forward to working closely together for more facilities which would help us not only in the terms of industry but in the commercial sector also. In this age of globalisation where commerce is playing a big role we want to intensify our exchanges.

As you know Chad is among the poorest country in the world in terms of GDP and also in terms of socio-economic indicators. So we are looking for different areas where we can work closely with India so that we can have a better rate

of growth, which will help develop our country.

On the specific projects the LOC will be used...

This latest line of credit will benefit basically four projects involving Indian companies. One of these is a Cotton Spinning plant. Until recently, cotton was the only export-earning commodity in Chad. So, we have asked for the help of India in setting up a plant for transformation of cotton as Chad has been exporting only the raw material i.e. the cotton fibre. Because of the subsidies the rich countries give their farmers, it is difficult for us to compete. Now this plant will add value to our resources, which will benefit our people and enable us to compete more favorably with the heavy subsidies that the industrialized countries give their farmers. Although, there is a lot of unemployment in Chad, the people are not getting the opportunity to convert their own natural resources into finished products. It is funny that people should export raw cotton and at the same time buy T-shirts made in other countries. So this is a project of national importance for Chad because this will give the country a chance to add value to its own raw material, which will help a lot of people earn their livelihood.

The second project is a steel plant. The third one is an agricultural equipment factory for making tractors and farm implements. As you know we are basically an agricultural country, we have got more than 25 million hectares of land that can be cultivated, but today only about two million hectares are being exploited. We are aware that India has faced food shortages in the past but with the development and progress that you have made, you are not only self sufficient in food production but you are also exporting food. This is the type of progress and development that we would like to make in our own country. And in the light of the Line of Credit that we have just signed, one of the projects that was approved was for tractor and agriculture equipment and this project will help develop our agriculture sector.

Chad is an oil-producing country but the fact is that oil is not sufficient to solve all its economic problems. So something has to complement, something that is an added thing that will help. Chad is a large country in terms of size, in fact it is two and a half times the size of France, having an area of roughly around 1.3 million sq km. So there is a lot of potential in the field of agriculture and a project like this will give a big boost to agriculture. So this project of making tractors and agricultural implements is a very important one, which will help the rural areas and enable the farmers to carry out better agricultural practices.

The fourth project is a bicycle and motorcycle assembling plant. As you know Chad is a rural country and people face difficulty in transportation and mobility, So this project will help them to become more mobile. So these are the projects that will be financed by this Line of Credit.

A lot of Indian companies operating in the above mentioned fields have gone to Chad and the government is deciding shortly on which of these will get the four projects. Chad is Africa's newest, in fact, the world's newest oil-exporting country in the world. We realize that oil will not be enough in itself to change the life of the people but this is an added bonus that God has given us to be able to do things for the betterment of the people. Now as you know, the oil will help the people because there are clear-cut guidelines on how the oil money is going to be used. The oil money will not be squandered because it is decided that all the oil money goes into a bank account at the Citibank, London and all such money will be invested for the betterment of future generations and 80 percent of it will be used for Infrastructure and priority sectors.

On infrastructure...

Talking about the infrastructure, we know it is very important for the development of a country that is why we have solicited the help of India and one of the project that

was approved is for conversion of scrap into construction material which we definitely need for the development of our infrastructure, housing, roads etc. We have got to create infrastructure and to help people to communicate and we know India is very strong in these sectors. That's why we have solicited help in setting up a bicycle plant, which is also one of the projects for which the Line of Credit is given.

On cooperation between India and Chad in the fields of health and education sectors...

India has gone through the same kind of problems that Chad is facing today. India as on today is a net goods exporter. So Chad has got a lot to learn from India's experience. Not only in terms of actual physical projects where Chad relies on capital help but mostly and more importantly Chad is looking for co-operation in various fields, including human resources and training, education and medicine. We all know how it will have a major impact in Africa. We all know that India is the cheapest and the best source of medicines. Chad is very much aware of the great potential that India has to help us develop, because the climate, the temperature and the environment in both the countries are almost similar.

On possible lines of credit and projects coming up in healthcare...

There are a lot of projects that the government of Chad is thinking of discussing with India. There is a river that flows from the south and goes up to the Chad lake basin. Many millions of people depend on the river, so this is one of the areas where Chad is thinking of taking India's help as a partner to develop dams. Chad is also interested in the training of its people in India in various fields, including education, transportation of fruits, vegetables and other agricultural produce. The government is aware of the potential in irrigation and farming, the IT sector, cattle rearing and the dairy (milk production) industry.

You know the ambition is big and we seek help in many sectors. For example, take the livestock. Although we have got a lot of cattle there is no transformation at all, not even a single tannery, not even any transformation of milk production. So there is a lot of scope and we are thinking that these are the areas and other areas where we request help and assistance and where India could be a big help to us.

In the field of oil exploration, the Chad government has invited a team of technocrats from the ONGC to come and have a look at the potential opportunities. Chad is willing to

co-operate with Indian companies. Also Chad appreciates that the technology that India has is more adaptable as compared to other technologies available elsewhere today.

As far as the prospect of India importing oil from Chad is concerned, currently the refineries in India are not processing the kind of heavy crude that Chad produces. but I can tell you that IOCL will be completing a refinery before the end of the year which will be able to treat that heavy crude.

In the fields of agriculture and construction, as I have told you, Chad is a virgin country. Now with the help of the oil revenue, there is a lot of development taking place. So there will be many opportunities for Indian companies to have joint ventures in Chad. As it is, more and more Indian companies are coming to Chad. We have got people in different fields and a few hundreds of Indians are working in the oil sector doing maintenance jobs. So, with this kind of credit, it will be a boost to the co-operation between India and Chad. Hopefully more and more projects and more and more Indian companies will come to Chad.

On the appreciation of Indian art and culture by the people of Chad ...

The people of Chad also appreciate the cultural heritage of India. A lot of them watch Indian movies. In fact there are video clubs in Chad where they have Indian movies. Actually there is a cinema that shows Indian movies every day. There is scope and we had one or two Indian troupes that came and it was a big success. The people in Chad like the Hindi language, they like the films and they know the names of actors and actresses of Hindi movies. The people of Chad have a liking for India and they are very much interested in India and you would be surprised to know that the ladies in Chad wear 'Sari'. The Indian culture is strong and it is getting stronger, thanks to Bollywood

Also in the field priority sector of education and health, where we know India has made tremendous progress, so we could use these expertise and those assistance from India. Also in the field of Information Technology, where we know India is a world leader. So these are the areas where we could consolidate our relationship together in the long run and where we can learn a lot from India.

On the other hand we would also like to say that we have got resources that we would like to share with India. For example, in the field of Oil and petroleum sector, there are the opportunities for the big companies in India and we would be very happy to develop the partnership in this field with Indian companies.

On use of oil revenue

The oil revenue will make a change in the life of the people. We, especially the President of the republic, are very concerned and want to make sure that the benefit of this oil money goes to the people. Even before the oil started to be exported, there was a law that was passed by the Govt. which clearly stated that how and in which priority sector the oil money will be utilized. About eighty percent of the oil revenue will be spent on the priority sector like health, education, rural development, which includes agriculture and infrastructure projects.

We believe that there are a lot of things that India can do and participate in these priority sectors projects. For the field of health and education these are the means to achieve something because you got to have people in good health, you got to have trained people, qualified people, so to do that we need good rate of growth. And to have good rate of growth we must produce things correctly and efficiently. This is where we feel that with our efforts and the resources that we have and with the technological and other help from India, would be able to achieve the target to raise the rate of growth which will bring the real and rapid development of our country.

On special incentives to Indian companies...

As you know we have a lot of areas where we can work together, one is under the NEFAD where it is for regional type of co-operation and there are a lot of projects where Indian companies are welcome to participate. Also on the bilateral basis, there are a lot of areas where there are a lot of opportunities. For sure we could look at areas where we could give certain facilities to Indian companies to come and work.

On the need for a joint commission to help bilateral trade and commerce...

You know that we have diplomatic relations for a long time. Now that we have started this economic co-operation, we are very keen and would like to strengthen this relationship. We believe that a joint commission will give a new impetus and new orientation to our relationship.

Message to the Indian business community...

I must say that Chad is a friendly country, an open country to do business and has a lot to offer to the Indian business community and we can discover a lot of similarities between ourselves together. ■

Conclave India-Africa Partnership 2005

New Delhi Nov 7 & 8

Focus: Expanding Horizons

A two-day Conclave on India-Africa Project Partnership 2005 will be held on November 7 and 8, 2005, in New Delhi.

The conclave, a follow-up event of the First African Conclave held in March 2005, will have as its theme - "Expanding Horizons" in India-Africa Project Partnership.

The objectives of the Conclave have been modified to focus on specific opportunities and extend the platform to maintain continuity. Thus some of the objectives have remained, to retain the correct flavour.

In specific terms, the Conclave is expected to project the capabilities, range and depth of the Indian industry in the relevant sectors. It will

- Focus on SMEs and develop the platform to deliver opportunities to this special segment of Industry
- Discuss Indian participation in specific African projects
- Facilitate interaction with institutions for a long term involvement in the capacity building for the countries, which is a critical need for the development to be

sustainable in Africa

- Facilitate focussed and individualized business discussion amongst the visiting decision-makers and Indian industry in these sectors.
- Continue to provide a platform for decision makers from African countries and multilateral, regional and national funding agencies to meet, in one place, the entire range of Indian companies involved in engineering consultancy, turnkey projects, construction and supply of project goods.

The Conclave is structured around several components:

Technical sessions on various aspects of partnership in projects with African Countries. Discussions & presentations on specific projects and interactions between





the industry and the visiting delegations to make business contact possible

- A special session of the visiting funding agencies and EXIM Bank of India to discuss specific project proposals in Africa and advise upon other financing options for facilitating Indian participation in these projects.
- Facilitate visits to major companies in these fields, subject to logistics arrangement with member companies.

The CII- "Africa Committee" after detailed deliberations felt the need to organise a series of Conclaves in India on 'Project Partnerships' with African nations aimed at facilitating a structured dialogue and a meaningful partnership.

Based on the recommendations of the Task Force on project exports the Conclave focussed on developing a sustained national strategy to enhance participation of India project exports in new & emerging markets.



The First African Conclave, was really the beginning of a process. It developed an excellent model for promoting Partnership between the Government and the private sector for enhancing India's participation in the developmental priorities of the African countries.

The Indian industry was not particularly aware of the project opportunities in the African countries. The first conclave helped to achieve a major breakthrough in this area.

• SMEs had a unique opportunity to explore partnership with these countries. Many of them have now gained the confidence to travel to these countries and initiate discussions.

• The presence of the regional and national banking & financial institutions during the conclave gave the Indian industry and the African visitors an opportunity to look at funding options that could be made available for specific projects.

EXIM Bank of India and the ECGC provided appropriate inputs on the credit ratings and access to the lines of credit from India.

• The Conclave threw up advance information on 178 'Projects' valued at US\$ 6 billion, for further 'Partnerships' between Africa and India.

A large amount of debt relief has been announced to the countries in Africa as a result of the G8 Summit. A number of these countries are in the West & Central African Region. The immediate effect of this measure has been to put at disposal of the Governments, money, that can be utilised for further reforms and developmental activities that are a priority for these countries.



Under the TEAM-9 initiative, the announcement of USD 500 million, and the recent project specific allocation of more than US\$250 million, during the African Union Summit held at Libya in July, the Government of India has given the Indian Industry the required incentive and push. The recent visits of delegation from the African countries show the interest level of these countries in India.

The Government of India has also committed US\$ 200 mil for projects under NEPAD of which US\$ 60.70 Mil has been allocated to the countries, this July.

The flow of credit from various resources serves to provide financing options that are beyond the GOI lines of credit. They give flexibility and substantive support to the efforts of the Indian industry.

These developments in the countries of Africa, create an ideal environment for Indian industry to move forward and participate in project opportunities in the region. ■

Annual growth
envisaged at 12 pc

W. Bengal to hard-sell tourism



West Bengal is endowed with the most beautiful aspects of Nature - from the Himalayas in the north to the Bay of Bengal in the south. It boasts of wildlife forest areas, the Sundarbans, historical sites and heritage places. But in spite of having all that is required to make it a tourist destination, the tourism industry of the state has not made the progress as required. The reasons blocking the progress are budget constraints and weak marketing. But the government has, of late, measured the potential of the tourism industry and has geared up for a better utilization of its resources.

T.K.Barman, Principle Secretary, Tourism department, West Bengal government, spoke to New Media on a variety of issues ranging from state initiatives to upcoming package-tour to be initiated by it. Excerpts.

Why is that the tourism industry, despite its potential, has not picked up pace as expected? What are the reasons?

That's true. The main reason behind that is our budgetary constraint. But I would like to tell you at this point that till last year our promotional activities were relatively low due to inadequate funds. This financial year the budget for tourism has been increased by around 25 pc over the previous year. So, we have got some additional fund to

enhance our promotional activities. The objective is to attract more and more tourists both domestic and foreign. But I feel that tourism is basically an industry meant for the private sector. The Government's role is only to improve the infrastructure and promote the state as tourist destination.

Would you elaborate on what kind of promotional activities are you going to undertake in the days ahead?

As earlier, we will publish advertisements in the print media. This year we will certainly come out with a greater number of ads since we have got the back up of the additional fund. Apart from that we are also showcasing our tourist destinations in electronic media which has not been done so far by us. We have signed a three-month contract with Star News. This promotional drive has been initiated basically to reach out to more number of foreign tourists.

Besides, we are also conducting road shows in different states across the country. We have already held such a road show in Ahmedabad. Two more road shows are already lined up in our agenda; one in Maharashtra and





the other in Tamil Nadu.

How do you classify the state while promoting its tourists' hotspots?

For promoting the state's tourists' destinations we have grouped them in three categories: North Bengal which include Darjeeling, the Himalayan foothills and Kuchbihar, South Bengal which include Digha, Sankarpur, Sundarban and the third sector includes all the religious and famous places of Kolkata, Birbhum, Bankura and Purulia.

Of late, it is found that a new concept in tourism such as heritage tourism, tea tourism, eco-tourism, medical tourism are catching up. Do you think West Bengal has that kind of potential to capitalize on the new concept?

Definitely. Specially in the sphere of eco-tourism, tea tourism and heritage tourism we have good scope. In medical tourism we are not as ahead as Kerala. But now a number of good hospitals have come up in Kolkata which brings patients from overseas countries like Bangladesh, Nepal, Bhutan and Kolkata is gaining popularity as the hub of medical tourism.

The state government is giving special importance to tea tourism. Tea tourism is relatively a new concept. The tea gardens of Jalpaiguri and Darjeeling will be opened for tourists. Bungalows will be constructed within the tea garden and the tourists will get to see the entire process of tea production and get the flavour of it round the clock. Already five tea gardens have shown interests and agreed to construct cottages in their gardens. The government will act as the facilitator to let the concept grow. We are awaiting for a funding allocation worth Rs. 8 crore from the Central government with which the infrastructure of the place will be improved.

What about hotels?

The State Tourism Development Corporation has its own cottages and hotels at several locations. Apart from that

the State Forest Development Corporation has also got its bungalows and cottages located in various tourists' destinations. We have good coordination with the forest department and thus we supplement each other's need.

We are also trying to promote budget hotels in the state. Budget hotels is a concept in which one gets all the facilities of a five-star hotel paying only Rs. 800 to 1200. This initiative is taken mainly to facilitate budget tourists. A number of hotels have come up in Durgapore and Assansol following this concept.

Any new areas of tourism, you have been contemplating on?

Yes, there is a plan to promote sea tourism. A packaged tour (Puri-Kolkata-Andaman-Puri) is going to be unveiled shortly. The Kolkata Port Trust has been coordinating with tourism department of West Bengal, Orissa, and Andaman to finalise the modality of the new packaged tour. The tour will be a costly affair as the tourists will be accommodated in a luxury vessel and they will touch all the important places located on the route.

Could you provide me with the figures of tourist inflow into the state?

In 2003 calendar year domestic tourist inflow stood at 1.13 crore and the number of foreign tourists stood at 7.05 lakh. At all India level, we were fifth in terms of domestic tourists and fourth in terms of foreign tourists.

The final comment. Where do you see the state tourism industry five years down the line?

We are aiming to double the figures in terms of tourists' footfall as well as over all growth of the industry which means we are targeting an annual growth rate of 10 to 12pc a year. ■





Cape Town Film Fest To feature Africa's Best

Cape Town is set to be the hub of the cinema world for two weeks in November, 2005..

The Cape Town World Cinema Festival features a bumper programme of more than 110 feature films, shorts and documentaries, including the latest releases from some of cinema's leading lights.

'Completely different'

"The 2005 Festival will be completely different to last year," festival director Michael Auret said.

"It is my objective to increase audience participation in the festival and grow audiences for film. For instance, we have included Leon Schuster's latest slapstick comedy *Mama Jack*.

"If by doing this more people look at the programme and go to other films, then we will have achieved something."

South Africa's red carpet

The latest releases by Lars von Trier and David Cronenberg will be shown alongside an African Retrospective to mark the 10th anniversary of the



Sithengi Film & TV Market and 50 years of African cinema.

South African directors Gavin Hood and Darrel Roodt will be showcasing their new films, Hood's *Tsotsi*, fresh from the Toronto Film Festival, and Roodt's *Faith's Corner* starring Leleti Khumalo.

Two red carpet screenings will be held at the Artscape cinema each day, leading up to the gala awards night on 19 November.

Entering its 10th year, Sithengi is the business side of the festival. The world's top producers and financiers will attend to network with the South African film industry.

Another highlight of the festival will be the second edition of the Sithengi Talent Campus. Presented in cooperation with the Berlin Film Festival, 50 of South Africa's top film students and emerging filmmakers will have the opportunity to learn from the masters.

The Cape Town World Cinema Festival takes place in venues across the city from 11 to 20 November. ■



Par T C Venkat Subramanian
Président du DG de l'Inde
de l'Exportation et de l'Importation de l'Inde

Les réformes sont responsables pour la croissance du PIB

L'Afrique en voie de développement

Les développements économiques récents

Malgré de nombreux défis auxquels l'Afrique fait face aujourd'hui, la croissance de PIB dans ces pays africains a montré une résistance ces dernières années. Des progrès considérables ont été réalisés par la gestion macro-économique améliorée ainsi que le progrès structural continu dans beaucoup de pays. Ceci est le résultat d'un engagement fort de la part de beaucoup de gouvernements africains vers une politique prudente dans les domaines fiscaux, monétaires et de taux de échange.

Selon les Perspectives Economiques du Monde (World Economic Outlook) du IMF, septembre 2005, le vrai PIB de l'Afrique a enregistré une élévation de 5.3% en 2004, plus de 4.6% par rapport à l'année précédente et le plus haut dans presque une décennie. Les raisons principales responsables pour cette augmentation ont été la force de l'économie globale et d'autres facteurs tels que les prix élevés de l'huile et de matières premières, les politiques macro-économiques domestiques améliorées, le progrès

dans des réformes structurales, et la fin de plusieurs conflits armés prolongés.

Le développement spécifique de chaque pays a également augmenté les développements globaux dans la région. Ces développements positifs incluent de grandes augmentations de production de pétrole en Angola, le Tchad et la Guinée Equatoriale, le rétablissement dans le rendement agricole en Ethiopie et le Rwanda. L'élévation des prix du pétrole globaux a affecté des importateurs d'huile mais l'on s'attend à ce que l'élévation des prix de matières premières globaux ait un impact positif sur l'équilibre commercial de beaucoup de pays.

Dans la région sub-saharienne, la vraie croissance combinée de PIB est à 5.4% en 2004 et ceci est projeté à une baisse à 4.8% en 2005 avant d'augmenter à 5.9% en 2006, amplifié par la croissance soutenue de la plupart des pays. Le taux d'inflation a également modéré dans la région, bien que l'inflation en Angola et au Zimbabwe reste un sujet préoccupant. Les pays qui ont enregistré une forte

croissance incluent le Nigeria, le Ghana, le Soudan, le Congo, D.R., la Tanzanie, l'Ouganda, l'Angola, et l'Ethiopie. Dans la région du Maghreb, l'activité économique a ralenti et elle est représentée par un taux de croissance de 5.0% en 2004, par rapport à 6.2% en 2003. Ce ralentissement était dû à une modération dans l'expansion de la production d'hydrocarbure en Algérie.

Les perspectives pour la région du Maghreb restent positives malgré un ralentissement prévu dans la croissance de la production en 2005. Les perspectives pour la croissance soutenue ont un bon augure pour la région africaine. La vraie croissance de PIB est prévue à accélérer d'une croissance sur 4.5% en 2005 à 5.9%,





l'expansion la plus forte depuis le début des années 70. L'arrivée, en production, de nouveaux équipements de production de pétrole en Angola et en Mauritanie, et l'augmentation prévue de production de pétrole au Nigeria, entre autres, servirait à amplifier la croissance globale. L'engagement récent des pays G-8 pour amplifier l'aide et la réduction de créance à la région, a pu servir à augmenter la confiance, l'investissement et la croissance

Défis

Tandis que la croissance a été résiliente, l'Afrique continue à faire face à beaucoup de défis de développement y compris l'instabilité politique qui creuse la stabilité macro-économique et le potentiel de croissance de longue durée ; les conditions défavorable du climat et les désastres naturels qui produisent une haute rendement de volatilité ; l'infrastructure et les conditions de santé qui empêchent la croissance de productivité.

Pour soutenir l'élan de croissance, d'autres réformes seraient nécessaires pour renforcer l'environnement d'investissement et la croissance menée par le secteur privée. Il faut mettre plus d'emphasis, en particulier, sur l'établissement des institutions économiques et politiques qui sont critiques pour développer une croissance basée sur le secteur privée.

Les pays africains ont le besoin de redoubler leurs efforts et ceci est fermement articulé par la Nouvelle Association pour le Développement de l'Afrique (New Partnership for Africa's Development, NEPAD). Comme souligné dans le NEPAD, une stratégie à facettes multiples est exigée pour aborder ces questions. Cette stratégie doit inclure, entre autres, des politiques visées à réduire le conflit et à améliorer le gouvernance politique ; la promotion de la concurrence, le commerce et l'investissement de l'étranger, la soutenance par des mesures pour renforcer les politiques du macro-économique ; et une politique visant à améliorer les soins de la santé, l'éducation, l'infrastructure et

l'agriculture dans les secteurs très pauvres.

La Banque Exim en Afrique

Avec la région africaine constituant une partie intégrale de la stratégie globale, la Banque de l'Exportation et l'Importation de l'Inde (Export-Import Bank of India, la Banque Exim) a mis en place une gamme complète du financement et des services de soutien et de consultation pour augmenter la coopération commerciale entre l'Inde et la région africaine. Les

lignes de Crédit (LOCs) que la banque a mis en place pour amplifier le commerce bilatéral sans interruption sont améliorées pour couvrir plus de pays dans la région. La banque a, maintenant, en place 27 LOCs opérationnels qui s'élèvent à US\$ 555.84 millions dans la région africaine.

Les étapes concrètes, que la Banque Exim a pris pour encourager les relation du commerce bilatérale avec la région africaine, incluent d'un côté le soutien proposé aux compagnies indiennes pour avoir des projets et de l'autre côté l'établissement d'entreprises conjointes dans la région, la participation dans les actions de la Banque de Développement de l'Afrique de l'Ouest (Western African Development Bank, BOAD), de la Banque de Développement de la Zambie (Development Bank of Zambia), et la Banque Africaine de l'Exportation et de l'Importation (African Export-Import Bank, Banque Afrexim). Ces programmes et ces initiatives sont renforcés par les liens institutionnels forts que la banque Exim maintient avec la Banque de Développement Africaine, la Banque Afriexim et l'Association Africaine de Développement des Institutions Financiers, entre autres. ■





Par P.R. Dalal

PDG, La Banque Indienne
de l'importation et l'exportation

Team-9 Initiative en Afrique

Les LOCs de la Banque Exim ajoutent \$ 265 mln

La ligne de Crédit est une des façons de financement par laquelle la banque Exim propose des financements pour soutenir l'exportation des biens et des services depuis l'Inde sous des conditions de paiement différé. La banque Exim propose des lignes de Crédit (LOCs) à des institutions financières d'outre-mer, des banques de développement régionales, des gouvernements souverains et d'autres entités d'outre-mer. Les exportateurs indiens peuvent obtenir le paiement pour la valeur éligible de la banque Exim, sans aucun recours vers eux et uniquement contre la négociation des documents d'expédition.

La banque Exim a récemment proposé les LOCs suivants, à la demande du Gouvernement Indien pour augmenter des relations commerciales bilatérales avec la région africaine.

- LOC de US\$ 26.8 mn au Gouvernement de Côte d'Ivoire;
- LOC de US\$ 27 mn au Gouvernement de Mali;
- LOC de US\$ 87 mn au Gouvernement de Ghana;
- LOC de US\$ 50 mn au Gouvernement de Tchad;
- LOC de US\$ 15 mn au Gouvernement de Guinée Equatoriale;
- LOC de US\$ 27.7 million au Gouvernement du Senegal et du Mali (combiné); et
- LOC de US\$ 31 million au Government de Burkina Faso.

Ces LOCs ont été proposés à l'initiative "Team-9" (Approche Techno-Economique pour le mouvement Afrique-Inde (Techno-Economic Approach for Africa-India Movement)), qui a été installé comme un mécanisme de coopération régional entre l'Inde et les Gouvernements de Burkina Faso, de Tchad, de Côte d'Ivoire, de Guinée équatoriale, de Ghana, de Guinée Bissau, de Mali, et du Sénégal. Sous l'initiative "Team-9", le Gouvernement Indien fournit des LOCs à l'aide de la banque Exim à fin de financer la mise en place de divers projets par des compagnies Indiennes dans ces pays. La banque Exim remboursera 100 pour cent de valeur de contrat aux exportateurs indiens, après l'expédition des marchandises, sous les LOCs.

Le LOC de Côte d'Ivoire a été accordé pour des projets de financement, à savoir le renouvellement du système de transport urbain à Abidjan avec des autobus Indiens, et les projets agricoles dans le domaine de l'extraction d'huile végétale, des fruits et des légumes, de la production de cacao, du café dans le Côte d'Ivoire. Le LOC de Mali est affecté au financement pour l'électrification et l'établissement d'une usine des machines agro et de tracteur au Mali. La banque Exim a déjà mis en place une ligne de Crédit de US\$ 10 mn pour la Banque de Développement de l'Afrique de l'Ouest (West African Development Bank, BOAD), qui peut être utilisé par les pays





l'Ouest.

La banque Exim a également proposé un LOC de US\$ 33.5 mn au Gouvernement du Congo D.R., à la demande du Gouvernement de l'Inde, sous l'initiative la Nouvelle Association pour le Développement de l'Afrique (New Partnership for Africa's Development, NEPAD). Le LOC du Congo D.R. a été affecté à installer une usine de ciment, pour l'acquisition des autobus, pour la réhabilitation de la mine de Idsege Manganèse, et pour l'acquisition des équipements pour Minière de Bakwanga (MIBA). Le vrai PIB du Congo D.R. est prévu d'accroître à 6.5 pour cent en 2005 et 8.0 pour cent en 2006. Les exportations de l'Inde vers le

membres de BOAD, y compris le Côte d'Ivoire et le Mali. Les LOCs de Côte d'Ivoire et de Mali représentent une initiative importante de la banque Exim pour augmenter des relations commerciales et des investissements entre l'Inde et la région de l'Afrique de l'Ouest.

Le LOC de Ghana a été affecté au : financements des exportations depuis l'Inde vers le Ghana pour l'électrification rurale, l'agriculture, les secteurs de transport et de communication au Ghana ; et pour l'électrification rurale et la construction d'un projet, respectivement. Dans ses LOCs de Ghana, la banque Exim remboursera 100 pour cent de valeur de contrat aux exportateurs indiens, sur l'expédition des marchandises.

La banque Exim a accordé un LOC de US\$ 50 mn, à la demande du Gouvernement Indien au Gouvernement du Tchad. US\$ 24,5 millions de cette somme a été affectés à installer une usine de fil de coton, US\$ 11,5 millions pour une usine d'acier billette et un laminoir, US\$ 10 millions pour une usine d'assemblée d'équipement agricole, et US\$ 4 millions pour une usine de bicyclette. Dans le LOC, La banque Exim remboursera 100 pour cent de valeur de contrat aux exportateurs indiens, sur l'expédition des marchandises.

Le LOC d'US\$ 15 millions accordé par la Banque Exim au Gouvernement de la Guinée Equatoriale, à la demande du Gouvernement Indien, a été affecté au financement des exportations indiennes pour un projet d'établir une usine d'eau potable dans la Guinée équatoriale.

Le LOC combiné au Sénégal et à Mali a été accordé pour l'exportation des wagons et des locomotives ferroviaires de l'Inde à ces deux pays de l'Afrique de l'Ouest, tandis que le LOC de Burkina Faso a été accordé pour un projet agricole et pour la construction d'un bureau de poste dans ce pays de l'Afrique de

DR Congo ont monté par 40 pour cent soit US\$ 86 millions en 2004-05 par rapport à US\$ 61 millions en 2003-04, principalement à cause de l'augmentation des exportations des fibres synthétiques fabriqués à la main, et des drogues, des pharmaceutiques et des produits chimiques fins. Le LOC mentionné ci-dessus servirait à augmenter le commerce de l'Inde avec le Congo D.R.

La banque Exim a mis en place un certain nombre de lignes de Crédit pour favoriser les exportations de l'Inde aux pays en Afrique, en Asie, en Amérique Latine, en Europe occidentale et à Russie. Les LOCs de la banque Exim accorde une option sans risque, sans recours de financement pour l'exportation aux exportateurs indiens. ■



Le commerce Indo-African touche \$9.14 bln en 2004-05

Une Question de Synergie

Les tendances dans les relations commerciales récentes entre l'Inde et l'Afrique attestent la synergie qui existe entre les deux régions et le potentiel d'augmenter d'avantage cette relation.

Les tendances dans tous les Commerces

La synergie qui existe entre l'Inde et l'Afrique peut être mesurée du fait que le commerce bilatéral a monté à une hauteur de US\$ 9.14 milliards en 2004-05 par rapport à US\$ 967 millions en 1990-91, grâce aux augmentations exportations et importations avec la région africaine (Tableau 1). Les exportations de l'Inde à l'Afrique ont atteint une hauteur de US\$ 5,4 milliards en 2004-05 d'un chiffre relativement bas de US\$ 394 millions en 1990-91. En conséquence, la part de l'Afrique dans les exportations totales de l'Inde a monté d'un chiffre marginal de 2,2% en 1990-91 à 6,8% en 2004-05.

L'élévation concomitante dans des importations de l'Afrique pendant la période comparable certifient les relations commerciales bidirectionnelles accrues, où les importations de l'Inde depuis l'Afrique ont augmenté de US\$ 573 millions en 1990-91 à US\$ 3,8 milliards en 2004-05, avec une part de 3,5% dans l'importation totale de l'Inde, une hausse de 2,4% enregistré en 1990-91.

Tableau 1: Commerce de l'Inde avec l'Afrique (US\$ mn)							
	199899	199900	200001	200102	200203	200304	200405
Exportations	2082,7	1898,3	2360,2	2897,1	3139,9	3869,3	5381,7
% changement	8,4	-8,9	24,3	22,7	8,4	23,2	39,1
Importations	3816,2	6619,8	2063,3	2616,3	3446,5	3208,4	3758,2
% changement	30,5	73,5	-68,8	26,8	31,7	-6,9	17,1
Commerce Total	5898,9	8518,1	4423,5	5513,4	6586,4	7077,7	9139,9
Equilibre du Commerce	-1733,5	-4721,5	296,9	280,8	-306,6	660,9	1623,5

Source: *Directorat Général de Intelligence & Statistiques Commercial (DGICIS), Ministère de la Commerce et de l'Industrie (MOCI), Gouvernement de l'Inde*

Commerce Bilateral en 2004-05

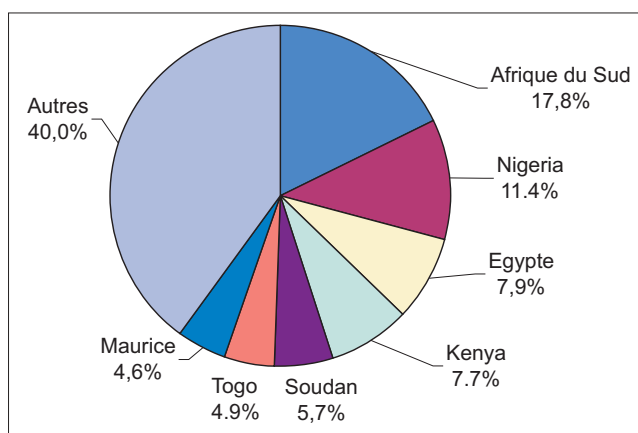
Pendant l'année 2004-05, les exportations indiennes vers l'Afrique ont enregistré une élévation pointue de 39,1% pour atteindre US\$ 5.4 milliards, par rapport à US\$ 3,9 milliards pendant l'année précédente. Les importations de l'Inde depuis l'Afrique ont également enregistré une hausse en 2004-05 US\$ 3.8 milliards par rapport à US\$ 3,2 milliards pendant l'année précédente, donc une élévation de 17,1%. En conséquence, le surplus de l'équilibre commercial de l'Inde avec l'Afrique a augmenté de US\$ 660,9 millions en 2003-04 à US\$ 1,6 milliard en 2004-05.

Les Principaux Partenaires Commerciaux

En ce qui concerne les principaux partenaires commerciaux dans la région africaine, le Nigeria est remplacé par l'Afrique du sud comme principale destination des exportations indiennes pendant 2004-05, comptant un total de 17,8% d'exportations totales vers l'Afrique. D'autres destinations principales d'exportation

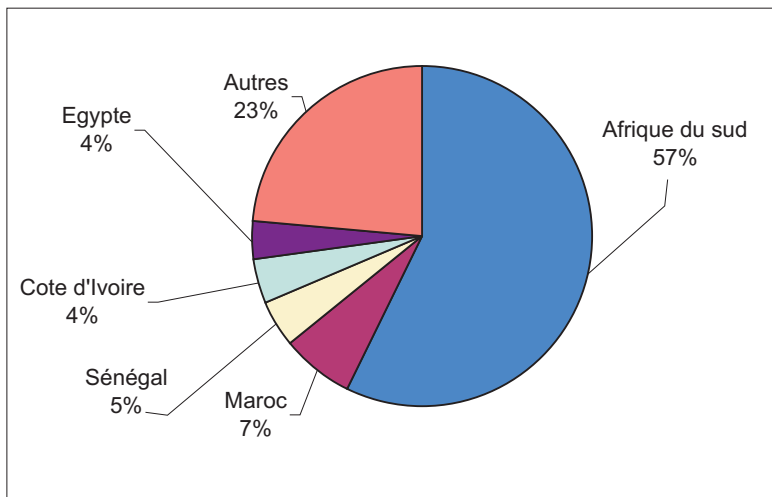
incluent le Nigeria (11,4% d'exportations totales vers l'Afrique), l'Egypte (7,9%), le Kenya (7,7%), le Soudan (5,7%), le Togo (4,9%), les îles Maurice (4,6%), l'Algérie (4,2%), et le Ghana (3,2%) (Diagramme 1).

Diagramme 1: Destinations principales de l'exportation de l'Inde en Afrique (2004-05)



En ce qui concerne les importations de l'Inde depuis l'Afrique, l'Afrique du sud domine avec une part significative de 57,3% des importations totales de l'Inde depuis l'Afrique en 2004-05. Le Maroc est la deuxième plus grande source d'importation avec une part de 6,8%, suivi du Maroc (7%), Le Sénégal (4,5%), le Côte d'Ivoire (4,2%) et l'Egypte (3,6%) en 2004-05 (Diagramme 2).

Diagramme 2: Sources principales de l'importation indienne en Afrique (2004-05)



Articles principaux commerciaux

Exportations

Les articles les plus nombreux dans la liste des produits exportés en Afrique étaient les produits pétroliers, avec une part de 13% des exportations totales de l'Inde vers l'Afrique en 2004-05. D'autres articles importants d'exportations vers l'Afrique incluent la fabrication des métaux (9,6%), les drogues et les pharmaceutiques (8,4%), les machines et les instruments (8,2%), le riz non-basmati (8,1%), l'équipement de transport (7,8%), les articles de tissus de fil de coton (7,4%), et le fer et acier primaire et semi-terminé (5,2%).

Les produits pétroliers ont émergé comme un article important d'exportations ces dernières années. D'un chiffre marginal de US\$ 1,4 million en 2000-01, les exportations de l'Inde des produits pétroliers vers l'Afrique ont monté à US\$ 698,1 millions en 2004-05, ainsi faisant de ces articles les articles les plus exportés vers l'Afrique. D'autres articles qui ont témoigné une élévation rapide ces dernières années incluent la fabrication des métaux, les machines et les instruments et le riz non-basmati.

Le Nigeria est un marché important pour les exportations indiennes des drogues et des pharmaceutiques, des machines et des instruments, et des fabrications des métaux, et il figure parmi les 10 marchés globaux principaux pour ces produits. De plus, Le Nigeria est classé parmi les 10 marchés globaux principaux pour les exportations de l'Inde des équipements de transport en 2004-05.

Importations

L'or domine dans la liste des importations de l'Inde depuis l'Afrique avec une part significative de 42,3% en 2004-05. D'autres importations principales d'Afrique incluent les produits chimiques inorganiques (16,2%), le noix de cajou (8,8%), les minerais métallifères et la chute en métal (5,7%), le bois et les produits en bois (4,0%), le coton cru (3,4%) et les engrais bruts (2%).

Pendant la période entre 1997-98 jusqu'à 2004-05, les articles d'importations qui ont enregistré une croissance rapide incluent le coton cru, les minerais métallifères et la chute en métal, la pulpe et le vieux papier, les lentilles et le cuir.

La région africaine est une source importante pour les importations de l'Inde de plusieurs articles. L'Afrique du sud est la quatrième plus grande source, après la Suisse, l'Australie et les UAE pour l'importation de l'or pour l'Inde ce qui représente 15,5% (US\$ 1,6 milliard) d'importations totales de l'or par l'Inde (US\$ 10,3 milliards) en 2004-05.

Le Maroc, l'Afrique du sud et le Sénégal étaient les trois plus grandes sources des importations globales de l'Inde qui représentent des pourcentages de 13,8%, 9,3% et 9,2%, respectivement, des importations totales de l'Inde des produits chimiques inorganiques (US\$ 1,6 milliard) en 2004-05.

Dans le noix de cajou, le Côte d'Ivoire, la Guinée-Bissau, et la Tanzanie sont les trois plus grandes sources pour les importations globales de l'Inde. En 2004-05, ces trois pays ont représenté 20,5%, 17,8% et 14,9%, respectivement des importations totales de noix de cajou de l'Inde (US\$ 392 millions).

De plus, l'Egypte, le Mali, le Soudan, le Bénin, la Tanzanie, le Côte d'Ivoire et le Burkina Faso sont classés parmi les 10 sources principales pour les importations globales de l'Inde du coton cru en 2004-05. En ce qui concerne le bois et les produits en bois, le Côte d'Ivoire, le Gabon et le Bénin sont parmi les dix plus grandes sources principales pour les importations de l'Inde dans la même année.

Commerce Bilatéral en avril-juin 2005-06

L'évolution du commerce Indo-Africain a enregistré une croissance soutenue pendant l'année 2005-06. Pendant le premier trimestre d'avril-juin 2005-06, les exportations de l'Inde vers l'Afrique augmentent brusquement de 63.1% ou US\$ 1,55 milliard, par rapport à US\$ 0,95 milliard pendant le quart correspondant de l'année précédente. Les importations de l'Inde depuis l'Afrique ont également enregistré une croissance de 35.5% ou US\$ 1,07 milliard en avril-juin 2005-06, par rapport à US\$ 0,79 milliard pendant la période correspondante de l'année précédente.