www.indoafricanbusiness.com

EXIM BANK

INDO-AFRICAN BUSINESS

REDISCOVERING A VIBRANT CONTINENT

August - October 2009 Rs.200/-

Cooperation in Mining, Agriculture, Rlys, ICT & Health

Crucial Pact on Uranium Supply

NEW MEDIA
connecting global wealth creators

Issue In This

Founder Chairman
Late Shri R.K. Prasad

Distributed by:
New Media Communication Pvt. Ltd.
in association with Export-Import Bank of India

Managing Editor: Satya Swaroop
Directors: B.K. Sinha
Cdr. P.S. Amar
Group Editor: Dev Varam
Strategic Advisor: Vinaya Shetty
Consulting Editors:
Prabhuu Sinha, Rajiv Tewari &
Md. Sabir Nishat
Deputy Editor: Tripti Chakravorty

Creative & Content: Sunetra Nair
Manager- Admin & Finance: Sunil Kumar
Sr. Executive - Special Projects: Prajwala Poojary
Liaison Officer: Vrunda Gurav
Executive Database: Madhavi Singh
Circulation: Jawaharlal, Santosh Gangurde
& Vijay Wangade

Art Director: Santosh Nawar
Visualizers: Maya Vichare & Sagar Banawalikar
Photographer: Bilal Ahmed Khan

BRANCHES:
Kolkata:
Anurag Sinha, Regional Head,
Mob: 098300 15667
Email:anurag@newmediacomm.biz

Delhi:
Abhay Shanker Sahaay, Resident Editor
Mob: 09968767500/09968815306
Email: abhay.sahaay@newmediacomm.com

Pune:
Jagdish Khaladkar, Regional Director,
Mobile: 098230 38315
Email: pune@newmediacomm.biz

Australia Office:
Bandhana Kumari Prasad, 129 Camboon Road,
Noranda, Perth, W.A. 6062 Tel: 0061 892757447
Email: bandhana@newmediacomm.biz

New Media Communication Pvt. Ltd.,
New Media House, 1 Akbar Villa,
Near Old State Bank, Marol-Maroshi Road,
Andheri (E), Mumbai - 400 059
Tel: +91-22-2925 0690 Telefax: +91-22-2925 5279
E-mail: enquiry@newmediacomm.biz
www.newmediacomm.com

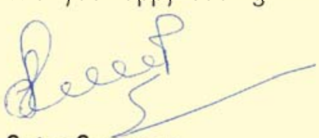
Printed & Published by
Satya Swaroop and printed at:
M/s Young Printers, A-2/237,
Shah & Nahar Industrial Estate, Lower Parel,
Mumbai- 400 013 and published from
B -302, Twin Arcade, Military Road,
Marol, Andheri (E), Mumbai - 400 059. India

Editor: Veerendra Bhargava

Dear Reader,

Greetings. Most African countries are blessed with natural resources. In fact, some of them, such as Namibia, are exceptionally endowed and are willing to share their resources with other nations for mutual benefit. India and Namibia have recently signed landmark agreements on cooperation in wide-ranging sectors, including mining and nuclear energy. The agreement on cooperation in civilian nuclear energy is of great significance to India as Namibia has one of the best qualities of uranium, the shortage of which has badly affected India's nuclear power generation programme. These agreements were signed during Namibia's President Hifikepunye Pohamba's recent state visit to India. The cover story of the current issue of Indo-African Business highlights President Pohamba's India visit. Minister of State for External Affairs Shashi Tharoor has reiterated India's commitment to Africa's development, while addressing the 64th Session of the UN General Assembly, whose theme was 'New Partnership for Africa's Development: Progress in Implementation and International Support.' We carry the speech in the magazine's diplomacy section. The photovoltaic (PV) technology is being considered the most effective tool to tap renewable energy. No wonder solar PV has emerged as a rich source of renewable energy, according to a study made by the Export-Import Bank of India (Exim Bank). We carry the study. We also present a country focus report prepared by Exim Bank on oil-rich Nigeria, which has weathered the current financial crisis with less difficulty compared to other African nations. The report says that Nigeria's trade with India, however, has been growing steadily. In the news section, we have a report on the India-Africa Pharma Business meet held recently in Hyderabad, where Union Commerce Minister Anand Sharma called upon exporters to take full advantage of the incentives made available to them. Then, there is a report saying that the Indian Government has approved the setting-up of 'Invest India' to facilitate the flow of foreign direct investment (FDI) into the country. Preparations for holding the FIFA World Cup soccer tournament in South Africa in 2010 are in full swing. Most of the stadia have either been completed or getting final touches. We carry detailed write-ups touching various angles, from their architecture to aesthetic appeal. We have the usual French section besides our other regular features. Finally, we take this opportunity to salute Mr. T.C. Venkat Subramanian, Chairman and Managing Director of the Export Import Bank of India, who has been the inspiration behind this publication since its inception, and who is relinquishing office this month at the end of a distinguished career as a banker par excellence, spanning more than three decades. We are sure he will continue to guide us and many others like us even after his retirement from the present eminent post.

Wish you happy reading



Satya Swaroop

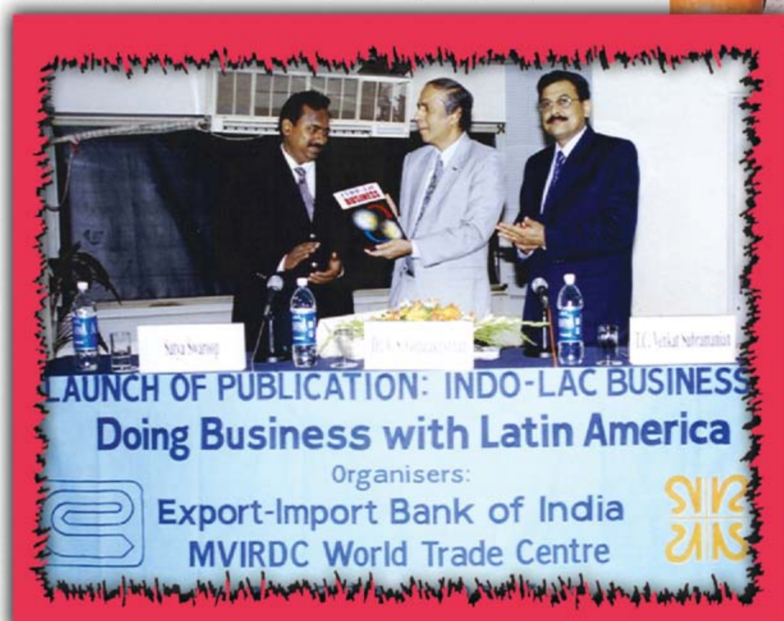
Managing Editor
satya@newmediacomm.biz

A Banker Par Excellence Bows Out

Mr. T.C. Venkat Subramanian, Chairman and Managing Director of the Export Import Bank of India, who has been the inspiration behind this publication since its inception in April 2005, is bowing out at the end of a distinguished career in banking spanning more than three decades.

Mr. Subramanian, who holds a Bachelor's degree in Electrical Engineering from Madras University and CAIIB in Commercial Banking from Indian Institute of Bankers, had earlier worked in Bank of India and the Industrial Development Bank of India (IDBI).

Mr. Subramanian joined Exim Bank in 1982 when it was set up to boost India's exports of projects, goods and services through various lines of credit. He has served the Bank in different capacities before taking over as Chairman and Managing Director in 2006. During his tenure, the Bank has truly become global in its outlook, aspirations and achievements. The Exim Bank's lines of credit today number 123, covering as many as 95 countries in Africa, Asia, Latin America, Europe and the CIS, with credit commitments crossing four billion dollars.



Mr. Subramanian's global standing could be gauged from the fact that he was the first elected Honorary President of the Global Network of Exim Banks & Development Finance Institutions (G-NEXID), an initiative launched in March, 2006 under the auspices of UNCTAD (United Nations Commission for Trade and Development), based in Geneva, Switzerland. He continued in that capacity till recently.

The tributes that Mr. Jean-Louis Ekra, President and Chairman of the Board, African Export-Import Bank, and new Honorary President, G-NEXID, paid to Exim Bank sum it up for both the Institution and its Chairman.

Mr. Ekra said: "Allow me also to say that until recently, we have been so fortunate to have Mr. Venkat Subramanian as our Honorary President. He has brought his distinguished professionalism, outstanding leadership and personal dedication to the service of our association. Through Exim India, he has relentlessly promoted our network. He has set the bar remarkably high, which is an inspiration to whoever comes after him to steer the course of G-NEXID… I hope that together, we shall be able to keep up the standard set by Mr. Venkat Subramanian and render our community vibrant". During his illustrious career, Mr. Subramanian has held many positions. He is also Director on the Boards of the following: Export Credit Guarantee Corporation of India; Agricultural Finance Corporation; Small Farmers' Agri-Business Consortium; and, Securities Trading Corporation of India; He is a member of the Board of Trade constituted by the Government of India and Governing Board of National Institute of Bank Management.

We at New Media salute Mr. Subramanian for being a Friend, Philosopher and Guide in all our endeavours in bringing out the three publications, namely, Indo-African Business, Indo-LAC Business and Indo-CIS Business, in association with the Exim Bank.

We are sure Mr. Subramanian will continue to guide us and many others like us even after his retirement from the present post which has gained in eminence with his stature during his tenure at the top. *-Dev Varam* ■

Cooperation in Mining, Agriculture, Rlys, ICT & Health

India, Namibia Ink Crucial Pact on Uranium Supply

The President of Republic Namibia, Mr. Hifikepunye Pohamba called on the President, Smt. Pratibha Devisingh Patil, at Rashtrapati Bhavan, in New Delhi.

India and Namibia have signed landmark agreements on cooperation in wide-ranging sectors, including mining and nuclear energy. The agreement on cooperation in civilian nuclear energy is of great significance to India as Namibia has one of the best qualities of uranium, the shortage of which has badly affected India's nuclear power generation. These agreements were signed during Namibia's President Hifikepunye Pohamba's state visit to India from 30 August to 3 September, 2009, at the invitation of Indian President Pratibha Patil. Besides President Patil, the visiting leader also met Prime Minister Manmohan Singh. "Among the agreements that we signed today is the cooperation between us on uranium. I believe that we have the best uranium (in the world)," said President Pohamba. The umbrella agreement in civilian nuclear energy includes sale of uranium to India.

The Vice President Shri Mohd. Hamid Ansari meeting the President of Republic Namibia, Mr. Hifikepunye Pohamba in New Delhi.

President Pohamba was accompanied by Madam Penehupifo Pohamba and the Ministers of Trade & Industry, Foreign Affairs, Agriculture, Water & Forestry, Mines & Energy, Defence and Director General of National Planning.

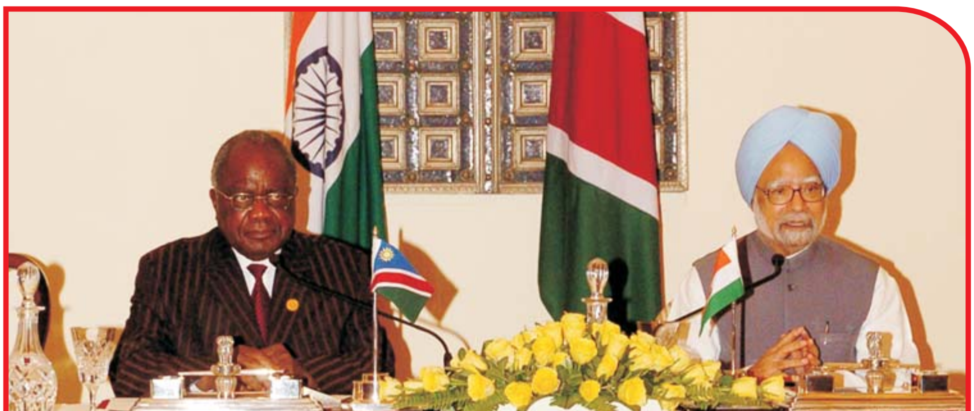
A statement issued by the Indian External Affairs Ministry said the discussions between India and Namibia were held in an atmosphere reflective of the traditional friendship, warmth and close understanding that characterized bilateral relations. The two sides expressed satisfaction at the state of bilateral relations, and the mutually beneficial cooperation and partnership that was developing between the two countries. They discussed a wide range of subjects of bilateral interest covering economic cooperation, trade and investment, SMEs, mining, energy, defence, agriculture, education, information and communication technology, health, railways, culture and arts.

The following MOUs/agreements were signed during the visit: (i) MOU on Cooperation in the Field of Geology and Mineral Resources, (ii) MOU on Cooperation in the Field of Defence; (iii) MOU on Pan-African e-Network; (iv) Agreement on Cooperation in Peaceful Uses of Nuclear Energy; and (v) MOU on Waiver of Visas for Diplomatic and Official Passports.

The two sides noted that the bilateral trade volume and investment, though small, have been steadily increasing and resolved to take measures to enhance such flows. They noted the many opportunities for investment available in Namibia in the uranium, diamonds, agriculture, energy, transportation, railways, mining, ICT and SMEs sectors and resolved to encourage Indian investments in these areas.

The Namibian side expressed its deep appreciation for the Human Resource Development and Capacity Building assistance extended by India under its ITEC and other programmes ever since Namibia's independence. The Indian side reiterated its commitment to further enhance its HRD and Capacity Building programme in Namibia with additional ITEC experts from one to five and augment the number of ITEC slots from 55 to 110.

The Namibian side thanked the Indian side for scholarships provided to Namibian nationals for bachelors, masters and doctoral programmes in India and requested for increase in the number of scholarships. The Indian side agreed to increase the number from seven at present to 15.



The Prime Minister Dr. Manmohan Singh and the President of Republic Namibia, Mr. Hifikepunye Pohamba at the Joint Press Conference in New Delhi.

The Chairman, AEC & Secretary, DAE, Dr. Anil Kakodkar and the Minister for Mines and Energy of Namibia, Mr. Erkki Nghimtina signing an agreement on cooperation in peaceful uses of Nuclear Energy, in the presence of the Prime Minister, Dr. Manmohan Singh and the President of Republic Namibia, Mr. Hifikepunye Pohamba, in New Delhi.

The Minister of State for External Affairs, Dr. Shashi Tharoor and the Minister of Foreign Affairs of Namibia, Mr. Marco Hausiku signing an MoU on Exemption for Visa Requirement for Holders of Diplomatic and Official Passport, in the presence of the Prime Minister, Dr. Manmohan Singh and the President of Republic Namibia, Mr. Hifikepunye Pohamba, in New Delhi

6 The Union Minister of Communications and Information Technology, Shri A. Raja and the Minister for Foreign Affairs of Namibia Mr. Marco Hausiku signing a Country Agreement on Pan-African e-Network Project, in the presence of the Prime Minister, Dr. Manmohan Singh and the President of Republic Namibia, Mr. Hifikepunye Pohamba, in New Delhi.

The Defence Minister, Shri A. K. Antony and the Minister for Defence of Namibia, Maj. Gen. (Retd.) NDCP Namoloh signing an MoU on Cooperation in the field of Defence in the presence of the Prime Minister, Dr. Manmohan Singh and the President of Republic Namibia, Mr. Hifikepunye Pohamba, in New Delhi.

Both sides expressed interest in exploring cooperation in the diamond sector and stated that the establishment of a cutting, polishing and training institute in Namibia by India would go a long way in beneficiation of this local resource.

The Indian side (i) informed the Namibian side of its decision to offer Lines of Credit of US $ 100 million over the next five years to be used in projects and supplies of products from India; (ii) reaffirmed its decision to establish, at a cost of over US$ 12 million, the Faculties of Mining Engineering and IT at the University of Namibia; and (iii) announced grants-in-aid of around US$ 10 million for the education and health sectors over the next five years. The Namibian side expressed its deep appreciation for these offers.

Both sides noted that people-to-people contacts and tourism between the two countries needed to be encouraged further and resolved to take necessary measures to enhance tourism, culture and people-to-people contacts.

The Indian side expressed its deepest condolences and sympathies on the loss of life and property during the unprecedented floods in Namibia in 2008 and 2009 and expressed its support for Namibia to over come these challenges. The Namibian side expressed its appreciation for the timely assistance of Rs 10 million each on both occasions extended by India.

The two leaders highlighted the importance of high level bilateral visits, including at the level of Heads of State and Government. They also decided to promote other high level ministerial visits. They reiterated the resolve to continue the bilateral dialogue and cooperation at various international fora.

The Indian side renewed its commitment to further strengthening and deepening its cooperation with Africa and referred in this connection to the successful India Africa Forum Summit of April 2008 which set out the roadmap for India-Africa relations in the early part of the 21st Century. The Namibian side affirmed its support to this initiative.

The Indian side thanked Namibia for its consistent support to various Indian candidatures in international and other multilateral organizations. Both sides expressed their staunch belief in the need for restructuring of the United Nations to make its functioning more representative, democratic and participatory. The Indian side expressed its deep appreciation to Namibia for its consistent support to India's candidature for a permanent seat on an expanded Security Council, and for its support to India's candidature for a non-permanent seat for 2011-12.

The President of the Republic of Namibia, Mr. Hifikepunye Pohamba and the Prime Minister Dr. Manmohan Singh, at the delegation level talks in New Delhi.

The President of Namibia invited the President of India and the Prime Minister to visit Namibia. The invitations were accepted with pleasure. Dates for the visits would be settled through diplomatic channels.

Both leaders expressed satisfaction with the results of the State Visit and concluded that it had contributed positively to the further strengthening of the warm and friendly ties between the two countries.

Prime Minister Singh, at the end of his talks with President Pohamba said that India's relations with Namibia had strong historical roots, which predate Namibia's independence. They were warm, cooperative and based on profound understanding of each other's aspirations, he added.

"We reviewed the current state of our relations and have set out the roadmap for the future. We have decided to inject fresh dynamism in our cooperation in areas such as human resource development, capacity building, trade and economic exchanges, agriculture, transportation, defence, information technology, health, energy and mining," Prime Minister Singh said.

He said India had renewed its commitment to cooperate with Namibia within its capacities and capabilities in its economic, social, human and infrastructure development. "I conveyed to the President that India stands ready to share its experience with Namibia as it implements its ambitious 'Vision 2030' policy document," Prime Minister Singh said.

The President of Republic Namibia, Mr. Hifikepunye Pohamba and Mrs. Penehupifo Pohamba being welcomed by the President, Smt. Pratibha Devisingh Patil and the Prime Minister, Dr. Manmohan Singh, at the ceremonial reception, at Rashtrapati Bhavan in New Delhi.

He said India's partnership with Namibia was an important component of its desire to revitalize the historical and civilizational ties with Africa in keeping with the requirements of the 21st century. "We will work with Namibia to implement the outcomes jointly arrived at the India-Africa Forum Summit held in Delhi in April, 2008," Prime Minister Singh added.

A large business delegation accompanied the Namibian President and extensive interaction between them and their Indian counterparts was held in New Delhi on 31 August, 2009. A similar interaction took place in Mumbai on 2 September, 2009. ■

India Fully Committed to Africa's Development

India's Minister of State for External Affairs Shashi Tharoor has reiterated India's commitment to Africa's development in his speech at the 64th Session of the UN General Assembly. The theme of the session was 'New Partnership for Africa's Development: progress in implementation and international support.' Following are excerpts from Tharoor's speech.

India's ties with Africa are historic. Trade across the Indian Ocean has linked us for hundreds of years. The Secretary General in his report New Partnership for Africa's Development: 7th Consolidated Progress Report Implementation and International Support has underscored that international cooperation is vital for Africa's development.

The report emphasizes the need for concerted and urgent action by international development partners to mitigate the socio-economic impact of the global financial and economic crisis and help the African countries in their progress towards implementation of NEPAD and realization of the MDGs. The report also highlights India's contribution towards Africa's development in the context of South-South cooperation.

India has a long-standing, close and multi-layered relationship with Africa. A vibrant India and a resurgent Africa are witnessing an intensification of relations and growing convergence of interests in their common quest for sustainable economic growth and development. Our partnership encompasses priority sectors integral to the developmental goals of Africa in the 21st century. India is committed to work together with Africa in accordance with the priorities of the continent. Priority areas of cooperation include infrastructure development, capacity-building, agriculture, health and food security and technology cooperation. We have accorded high priority to development of economic infrastructure including railways, IT, telecom and power.

The First India-Africa Forum Summit held in Delhi in April, 2008 was a major milestone in India's engagement with Africa. The Delhi Declaration and the Africa-India Framework for Cooperation adopted during the Summit highlighted our shared vision and world view. Taken together, these provide a sound foundation for the intensification of our engagement in the years to come.

India has so far extended over US$ 3 billion of concessional lines of credit to countries in Africa. During the India-Africa Forum Summit, India also decided to enhance the available concessional lines of credit for Africa to US$ 5.4 billion for the next five years.

Since the inception of the Indian Technical and Economic Cooperation (ITEC) Programme in 1964, capacity building and human resource development in Africa has been an area of high priority for the Government of India. The ITEC programme has benefited thousands of experts and students from Africa who came for training courses in professional institutions in India. These courses cover diverse fields such as agriculture and agro processing, entrepreneurship development, tool design, small business creation, promotion of rural industries and information technology. We have increased the number of training slots for African countries from 1100 to 1600.

In addition, several thousand African students are currently studying in Indian universities and colleges. We have also doubled the number of scholarships for the African countries to 500.

Over the next five to six years India will also be undertaking in Africa, on a grant basis, projects in critical areas such as higher and vocational education, science, IT, agriculture and renewable energy. A sum of US$500 million has been allocated for this endeavour.

The Pan African E-network project that seeks to bridge the 'digital divide' between Africa and the rest of the world is one of the most far-reaching initiatives undertaken by India. Already 42 countries have joined this programme which is intended to provide E-services with priority on tele-education and tele-medicine services and VVIP connectivity by satellite and fibre optic network amongst the Heads of State of all 53 countries. The Project would give major benefits to Africa in capacity building through skill and knowledge development of students, medical specialists and for medical consultation.

Mr. President, India has been actively engaged with NEPAD since the very beginning. The Government of India announced a line of credit to NEPAD of US $ 300 million during the India-Africa Forum Summit. This line of credit, is in addition to the US $ 200 million of lines of credit to NEPAD extended earlier in 2002.

Indian private sector is increasingly engaged in Africa. Indian companies have made large investments in Africa in industry, agriculture, services, human resource development and infrastructure. India's trade with Africa has been growing rapidly. India's bilateral trade with Africa was over 36 billion dollars in 2008-09, which represented an almost six-fold increase in as many years. We look forward to working with our African partners to take these trade and investment levels to newer heights.

Mr. President, The Secretary General in his report on NEPAD has called for the long-overdue successful outcome of the Doha round of multilateral trade negotiations. At the India Africa Forum Summit, India and Africa had decided to work together on pressing global issues of shared interests and concerns including the WTO such as the issue of cotton subsidies. India has made a unilateral announcement of duty free and quota free market access to goods from 34 Least Developed Countries in Africa. This covers 94% of India's total tariff lines and provides preferential market access on tariff lines that comprise 92.5% of global exports of all LDCs.

Mr. President, An important factor in addressing the causes of conflict and contributing to durable peace and sustainable development in Africa, as indicated in the Secretary-General's report, is the commitment of the international community, including United Nations organizations, to allocate increased financial, human and technical resources for the regional strategies .

On its part, India has been extensively involved in peacekeeping efforts in Africa over the past six decades. Presently, India has over 7000 peacekeepers serving in Africa, including a 5000 strong contingent in the Democratic Republic of Congo. India's first full all-female formed police unit is currently deployed in Liberia. In addition to peacekeeping, this unit has been successful in reaching out to the most vulnerable sections of the society i.e. women and children and in inspiring women who have so often been victim of war to see themselves also as sources of soccour and strength in this recently war torn society.

As a founder member of the Peacebuilding Commission, India remains actively engaged with the work of the Commission. The UNSG's report mentions that 92% of the Peacebuilding Fund-allocated funds have gone to African countries. We are hopeful that with the revision of the terms of reference for the Peacebuilding Fund, the efficiency and effectiveness of the Fund will be further improved.

Mr. President, Africa's fight against Malaria is dealt with in Secretary General's report transmitting the WHO's report on "2001-2010: Decade to Roll Back Malaria in Developing Countries, particularly in Africa". It is a matter of deep regret that more than one million malarial deaths still occur each year, when the disease is preventable, treatable and perfectly curable.

While we are happy to note that a number of preventive measures, such as distribution of treated mosquito nets, are being undertaken on a much larger scale, it also remains a fact that the developing world's ability to combat public health crises of this nature at times has been circumscribed under the pretext of intellectual property rights. Access to affordable medicines is a fundamental part of the right to health, and this has even been recognized by the TRIPS regime. Unfortunately, this remains more in the realm of theory than practice.

The Africa-India Framework for Cooperation 2008 includes capacity building programmes for medical and health specialists to tackle pandemics like malaria, filarial, polio, HIV and TB.

In conclusion, I would like to state that India envisions an Africa that is self-reliant, economically vibrant and at peace with itself and the world. While highlighting the vitality of African continent, the first Prime Minister of India, Pt. Jawaharlal Nehru, had said, "Of one thing there can be no doubt, and that is the vitality of the people of Africa. Therefore, with the vitality of her people and the great resources available in this great continent, there can be no doubt that the future holds a great promise for the people of Africa."

It is this promise that our Partnership with Africa seeks to fulfill. India will offer its fullest cooperation to harness the great potential of the African people for the cause of Africa's progress and development. ■

PV Tech Effective Renewable Energy Source for Rural India

- Exim Bank Study

The Photovoltaic (PV) technology across the globe is rapidly progressing and is increasingly being considered as an innovative source of renewable energy, according to a study made by the Export-Import Bank of India (Exim Bank). India is holding significant potential in generation of renewable energy using solar PV, as the country can make use of sunlight in nearly 300 days in a year. Other drivers of PV industry in India include the country's rapidly rising energy needs, the persistent energy deficit situation, and dependency of imported coal and oil for the energy generation requirements, the Exim Bank study says.

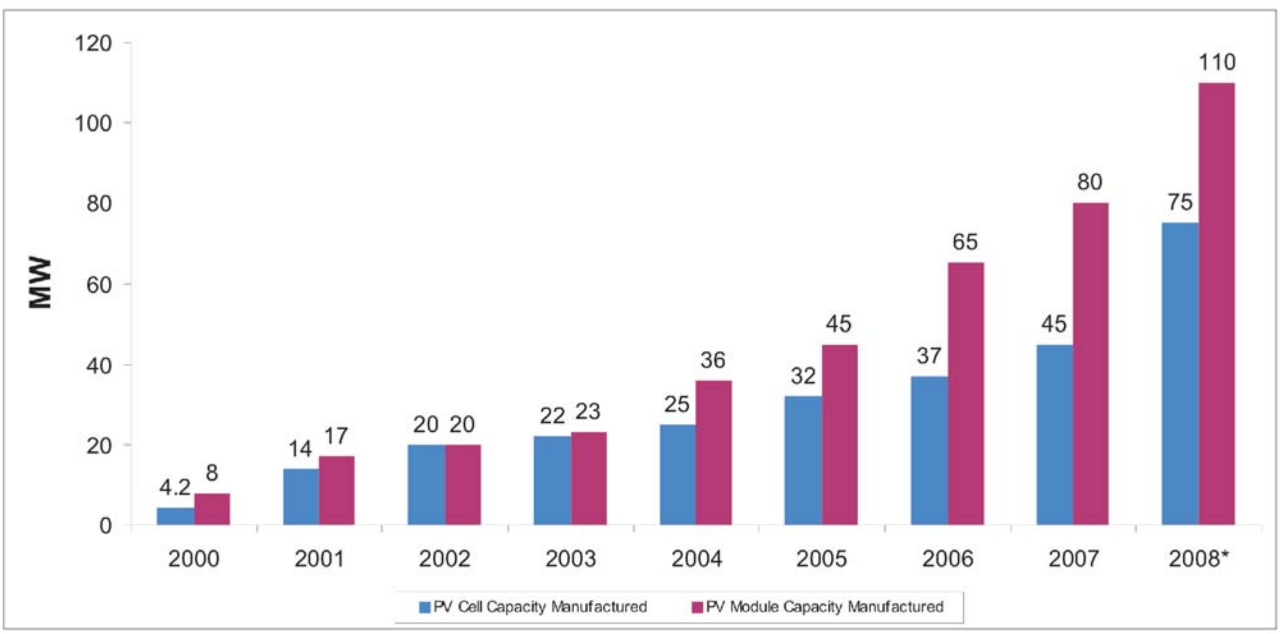
Capacity and Production

According to the Ministry of New and Renewable Energy, (MNRE) Government of India, the total PV cell manufacturing capacity in India is estimated to be 75 MW, and the total PV module manufacturing capacity was estimated to be 110 MW, in 2008. The industry thus has grown at over 35 percent in the last three years.

According to a report by the Indian Semi-Conductors Association, in the last five years, India exported more than 220 MW of PV products. The indigenous production of silicon wafer is limited in India; hence, most of the cell manufacturers are importing silicon wafers and some of the module manufacturers are also importing silicon cells. The industry also imports significantly raw materials and components for PV modules.

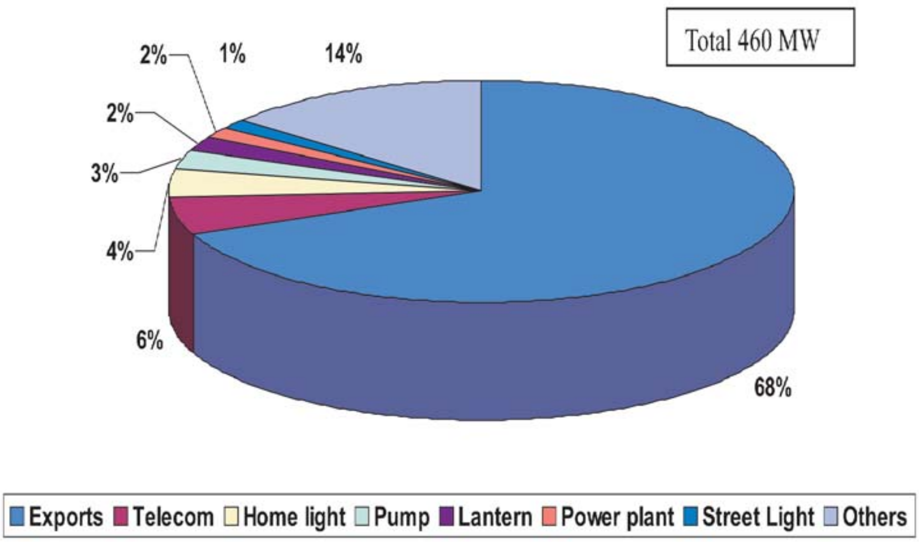
According to MNRE, Government of India, as of 2008, there were nine firms engaged in the manufacture of solar cells and 19 firms were involved in the manufacture of PV modules. In addition, about 50 firms were actively engaged in the manufacture of PV systems. PV systems with aggregate capacity of over 460 MW (about 15,00,000 systems) have been utilized in India as on 31 March 2008, for various applications, including export with an aggregate capacity of about 275 MW of PV products (68 percent).

Solar PV Cell and Module Manufacturing Capacity in India



** Estimated*
Source: Ministry of New and Renewable Energy, Government of India

Sector-wise Usage of PV Systems in India



Source: MNRE, Government of India

Trade

Directorate General of Commercial Intelligence and Statistics (DGCIS) has classified the data related to India's trade of PV products (like solar cells/photovoltaic cells including assembled modules and panels), under HS code No. 85414011. In 2007-08, India exported PV products worth US$238 million, which had increased to US$348 million during the first nine months of 2008-09 (April-December 2008), a growth of 116 percent over the corresponding period the previous year.

In terms of target markets, Germany and Spain are the two largest markets for Indian PV products in 2008-09 (April-December 2008), accounting for 42 percent and 40 percent respectively of total exports. In terms of imports too, Germany is the leading market with a share of 43percent, followed by Taiwan (36 percent), Japan and Spain (5.0 percent each). It may be mentioned that most of the imports are in the form of silicon wafers (imported by cell manufacturers), and silicon cells (imported by module manufacturers).

Government Initiatives & Policies

Various policy initiatives taken by the Government of India are recognizing the significance of the PV sector, within the renewable energy, and its potential. At a broad level such policies include: The Action Plan for Climate Change, National Solar Mission, and Semi-Conductor Policy, Specific to the PV industry. There are capital investment subsidies, introduction of generation-based incentives (similar to that of feed-in-tariffs) for grid interactive solar PV generation projects, and support for R&D in PV technologies.

The Government has introduced a Solar Photovoltaic (SPV) programme, which has accelerated the development of the PV technology in India, and encouraged countrywide usage of various PV applications through demonstrations. The R&D base in Indian PV industry has also been developed, in areas such as development of new materials, processes, systems, production and testing equipment for solar cells and modules, and electronics used in PV systems, supporting the indigenous production capabilities. Under this programme, MNRE, Government of India will support grid interactive solar power generation projects up to a maximum capacity of 50 MW. The registered companies, as project developers, would be eligible to set up solar power projects on build, own and operate basis. A maximum of 10 MW capacity solar photovoltaic power generations would be considered in a state. Preference would be given to projects from the states where State Electricity Regulatory Commission has announced/or in the process of announcing tariff for solar power. In the absence of tariff for solar power, the utility should provide the highest tariff offered for medium term power purchase, or the maximum tariff fixed for power from any other renewable energy source.

MNRE, Government of India, under this programme, will provide generation based incentive up to Rs. 12 per kWh for solar photovoltaic power fed to the grid by the project developers, after taking into account the tariff provided by the utility organizations.

Several recent government announcements and policy measures suggest that PV adoption may be entering a phase of major expansion. The states of Andhra Pradesh, Gujarat, Karnataka, Maharashtra, Punjab, Rajasthan, Tamil Nadu and West Bengal have announced their own solar PV projects, policies, plans, and incentive packages in recent months, including those for grid-connected generation. MNRE, Government of India has targeted grid connected PV generation capacity of 50 MW by 2012, which is expected to be achieved well in time.

PV Industry & Carbon Credits

Carbon credits and carbon trading would play an important role in enhancing the cost competitiveness of PV projects. For example, India could set up (currently) high cost solar power plants and reap the economic advantages obtained by saving emissions and earning money from trading of saved emissions, instead of building a low cost coal power plant, whose overall economic advantages may not be much. It is equally important to note that such an economic environment would help to create a global market for solar energy technologies, and help to kick-start the global transition towards zero emission technologies. It may be mentioned that developing countries have more solar energy than Western countries, and if global warming is to be averted in the long run, developing countries should generate more solar energy instead of energy generated from fossil fuel. Also, developing countries have millions of settlements even today which do not have grid-supplied electricity. Solar energy systems should serve this objective in the future.

PV Market Outlook in India

Exim Bank along with European Investment Bank facilitates Clean Energy

Export-Import Bank of India has signed an agreement for a long-term loan of Euro 150 million equivalent with tenor upto 15 years with European Investment Bank (EIB) in December 2008. This is the first time in the past 15 years that EIB has extended a credit line to an Indian entity. The purpose of the EIB loan to Exim Bank of India is for supporting projects that contribute to climate change mitigation and to enhance EU presence in India through FDI, transfer of technology or know-how from Europe. The borrowings under this facility will enable the Bank to on-lend for import of equipment for projects including renewable energy projects (eg. wind, solar, biomass etc.), energy efficiency enhancement (eg. fuel switching, plant modernisation etc.) as well as projects that would reduce greenhouse gases emission, clean environment, afforestation.

Renewable resources, in the forms of solar, wind, hydroelectric, biomass, and geothermal energy, provide energy while addressing environmental concerns. Of these technologies, solar photovoltaic energy provides the most reliable, scalable, and long-term economically viable solution with the least environmental impact. Moreover, solar energy generation profiles match usage patterns well (i.e. high energy is consumed when the sun is at peak). It may be mentioned that over two-third of India's population is involved in agriculture and other rural-based activities. Around 500 million Indians are estimated to be having no access to grid electricity, as an estimated 80,000 villages are not connected to the grid. This segment presents significant opportunities for the PV industry.

The usage of photovoltaic technology in India is critical given the power shortages that the country faces and the potential the photovoltaic industry may play in mitigating this gap. It is useful for providing grid quality, reliable power in rural areas where the line voltage is low and insufficient to cater to connected load. Solar photovoltaic modules are uniquely suited for small-scale off-grid applications such as rural electrification projects. Installations can be as small as 100 kW, panels and equipment are easy to transport and install in remote locations, and facilities require little space. Another area of growth is in the irrigation sector, especially installation of solar irrigation pumps. Telecom sector offers significant growth opportunities for PV industry; cellular telephone base stations and towers are growing across the country, which could install solar PV systems than using diesel generators. The use of PV systems in urban areas is also increasing, with growth in building integrated PV, use of PV for billboards, development of street and traffic lighting solutions, and highway lighting. In the industrial sector, the PV power generation plants could replace diesel based captive power generation.

The grid parity situation will open up opportunities for new business models, such as the leasing of solar energy systems. This could remove the hurdle facing private households of making an initial solar system investment. A new type of energy company could emerge from this where one owns the PV system on the customer's roof and sells the solar electricity generated per kWh to the homeowner. With a number of companies taking the inorganic growth path and diversifying into the PV industry, the scenario envisaged is one of unprecedented growth potential and industry growth in the country. ■

Trade with India Rising Sharply

Nigeria's GDP Growth Linked to Non-Oil Sector Performance

- Exim Bank Study

Oil-rich Nigeria has weathered the current financial crisis with less difficulty compared to other nations in Africa and elsewhere, though its GDP in 2009 is expected to drop to 2.9 percent from a four-year average of 6.0 percent achieved up to 2008, according to a study made by the Export-Import Bank of India (Exim Bank). Economic recovery is expected to begin in 2010 but it will depend upon non-oil sector's performance. India imports oil from Nigeria but its non-oil trade in terms of exports to that country has sharply risen, says the study.

Table 1: Macroeconomic Profile of Nigeria

Economic Indicators	2005	2006	2007	2008a	2009b
GDP (US$ bn)	112.2	145.4	165.9	207.1	165.4
GDP at market prices (N bn)	14,735.3	18,709.8	20,874.2	24,552.8	25,189.2
Real GDP growth (%)	5.4	6.2	7.0	6.0	2.9
Consumer price inflation (av.,%)	17.9	8.2	5.4	11.6	11.5
Population (mn)	136.3	140.0	143.9	147.8	151.9
Exports fob (US$ bn)	50.2	59.1	61.1	76.0	45.4
Imports fob (US$ bn)	25.6	31.1	38.4	46.3	42.1
Current-account balance (US$ bn)	7.3	38.6	31.2	42.3	11.5
Foreign exchange reserves (US$ bn)	28.3	42.3	51.3	53.0	46.5
Total external debt (US$ bn)	22.2	7.8	8.9	10.0	9.7
Exchange rate (av., N: US$) (Local currency is Naira)	131.3	128.7	125.8	118.6	150.5

Source: IMF & EIU Country Report. a- Estimates. b- Projections.

Reforms initiated in Nigeria earlier this decade have better prepared the economy to deal with the global financial crisis. Central to this success is the oil-price-based fiscal rule, which broke the link between public spending and oil prices and created a substantial cushion of oil savings. Further, increased confidence in economic prospects was reflected in improved growth and lower inflation.

Notwithstanding the global financial crisis, the real GDP growth of Nigeria has moderated to an estimated 2.9 percent in 2009, after averaging over 6.0 percent in the previous four year (Table 1). Non-oil growth averaged 9.0 percent from 2004 through 2008. Real incomes have risen significantly, suggesting that poverty is likely to have fallen. In absolute terms, GDP of Nigeria stood at an estimated US$ 165.4 billion in 2009. The average inflation rate is expected to moderate to 11.5 percent in 2009, primarily reflecting easing of food and fuel prices. Industry contributes the largest share of GDP, accounting for 50.8 percent of GDP in 2008, followed by services with a share of 31.2 percent and agriculture (18.0 percent of GDP).

Trade and External Sector

Total merchandise exports of Nigeria rose by 24.5 percnet in 2008 to US$ 76.0 bn from US$ 61.1 bn in 2007, mainly reflecting oil exports earnings. Total merchandise imports of Nigeria also increased by 20.7 percent in 2008 to US$ 46.3 bn from US$ 38.4 bn in 2007, mainly reflecting imports of manufactured goods. Thus, Nigeria's trade surplus increased to US$ 29.7 bn in 2008 from US$ 22.7 bn in 2007.

As per the latest available data, main items of Nigeria's exports in 2007 were crude oil (89.9 percent of total exports) and gas (8.0 percent), and non-oil accounted for 2.1 percent of total exports. Principal items of Nigeria's imports in 2007 were manufactured goods (32.8 percent of total imports), chemicals (24.2 percent), machinery and transport (22.6 percent), and food and live animals (6.2 percent).

The main destinations of exports from Nigeria in 2008 were the US, accounting for 44.1 percent of total exports, followed by Brazil (8.6 percent), Spain (7.7 percent), and France (4.9 percent). The main origins of imports to Nigeria in 2008 were China, accounting for 12.7 percent of total imports, the Netherlands (10.5 percent) US (8.2 percent), and South Korea (6.0 percent).

Indo-Nigerian Bilateral Trade Relations

India's exports to Nigeria increased by 41.2 percent in 2008-09 to US$ 1,530.2 million from US$ 1,083.9 mn in 2007-08, mainly propelled by a rise in exports of electronic goods, transport equipments, machinery & instruments and pharmaceutical products. In 2008-09, India's total imports from Nigeria increased by 14.3 percent to stand at US$ 8,709.8 mn as against US$ 7,620 mn in 2007-08, mainly on account of increase in oil imports. The non-oil imports from Nigeria fell by 26.2 percent in 2008-09 vis-à-vis the previous year, due to fall in imports of non-ferrous metals and wood & wood products. Thus, India had a significant non-oil trade surplus of US$ 1,401 mn in 2008-09, which is an increase of over 48 percent from US$ 946.0 in 2007-08.

The main items of exports from India to Nigeria in 2008-09 were machinery & instruments (19.0 percent of total export to Nigeria), pharmaceutical products (14.3 percent), electronic goods (14.2 percent), transport equipment (9.9 percent) and manufactures of metals (8.6 percent).

Petroleum crude is the major item of imports from Nigeria. In 2008-09, India's import of petroleum crude from Nigeria amounted to US$ 8,629.8 mn (or 99.1 percent of total imports). The main items in the non-oil import basket of India from Nigeria in 2008-09 were non-ferrous metals (31.7 percent of total non-oil imports), wood and wood products (17.9 percent), cashew nuts (13.9 percent), metaliferrous ores & metal scrap (9.2 percent), artificial resins, plastic materials etc. (6.8 percent) and oilseeds (3.5 percent).

Outlook

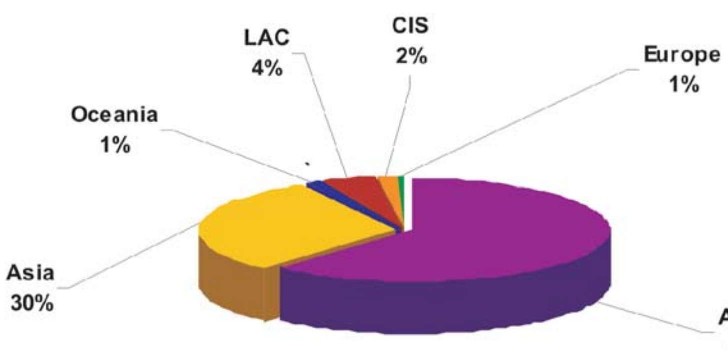
Given the expected trends in the oil sector, overall economic growth in Nigeria will depend on the performance of the non-oil sector, as has been the case in the past three years. Real GDP growth is expected to improve in 2010 partly reflecting improvements in electricity supplies resulting from government efforts to raise power generation to 6,000 mw by the end of this year and on increased oil production arising from improved security in the Niger Delta. There are some indications that inflation may be peaking in Nigeria, with some food and fuel prices starting to fall back. However, inflation is unlikely to drop rapidly, especially as food inflation has remained comparatively high in the early part of 2009. Overall, inflation is expected to subside further to an average of 8.5 percent in 2010 from 11.5 percent in 2009. ■

Exim Bank LOCs Offer Effective Market Entry Routes for SMEs

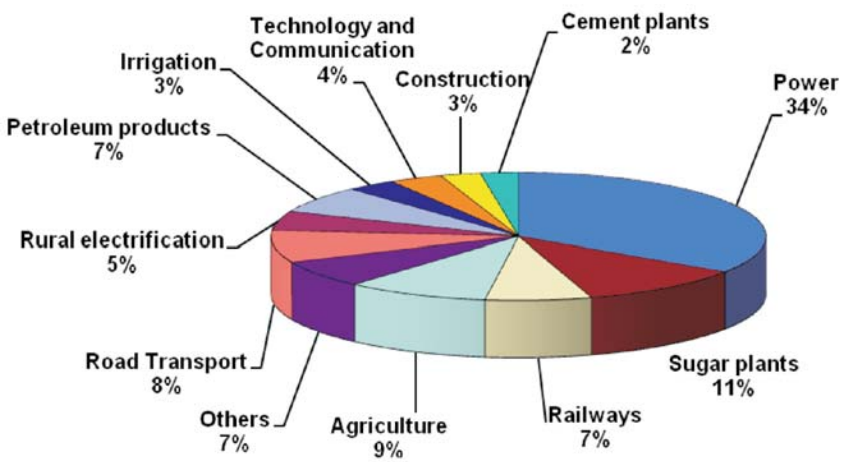
Exim Bank of India (Exim Bank) has placed special emphasis on extension of Lines of Credit (LOCs) as an effective market entry mechanism with particular focus on small and medium enterprises (SMEs). Exim Bank extends LOCs to overseas financial institutions, regional development banks, sovereign governments and other entities overseas, to enable buyers in those countries to import developmental and infrastructural projects, equipment, goods and services from India, on deferred credit terms.

Indian exporters can obtain payment of eligible value from Exim Bank, without recourse to them, against negotiation of shipping documents. Exim Bank also extends LOCs at the behest of Government of India. Under the Lines of Credit extended at the behest of Government of India, Exim Bank reimburses 100 percent of contract value to Indian exporters, upfront upon the shipment of goods and at least 85 percent of goods and services of total contract value should be sourced from India. Exim Bank's LOCs afford a risk-free, non-recourse export financing option to Indian exporters.

Exim Bank has now in place 123 Lines of Credit, covering over 95 countries in Africa, Asia, Latin America, Europe and the CIS, with credit commitments of over US$ 4.07 billion, available for financing exports from India. As would be observed from the pie chart, Africa enjoys lion share of these Lines of Credit, followed by Asia and Latin America.



The LOCs extended by Exim Bank on its own and at the behest and with the support of GOI, have catalyzed export of various projects in diverse sectors such as agriculture, transportation, communication, manufacturing, energy generation and transmission, rural electrification. Power generation and transmission projects are the major beneficiary under the LOCs, followed by projects relating to sugar industry, agriculture, road transport, railways etc. Sectoral distribution of the utilization for the LOCs is depicted in the following pie chart:



Increasingly, Lines of Credit are being extended for financing Indian project exports, which create, in the recipient countries, a greater visibility for Indian expertise and project execution capabilities, with downstream linkages. Established primarily to enhance Indian exports to developing countries, Lines of Credit, today, have become an effective tool for market penetration and stepping stone to uncharted territory of Africa and Latin American countries. ■

Essar's Aegis Acquires South African BPO for $30 m

Essar Group's business process outsourcing and technology arm, Aegis Ltd, has acquired CCN Group PTY Ltd, a South Africa-based BPO firm, for around $30 million. This is Aegis' 12th acquisition and will mark its entry into the South African market. In May this year, Aegis had announced the acquisition of UCMS Group, a BPO firm in Australia, for around Rs 203 crore (A$54 million). The deal, however, is still awaiting regulatory approvals.

The company plans to invest $60 million in South Africa in the next three years and plans to create around 5,000 jobs there. Sandip Sen, global chief marketing officer and head of sales, Aegis, said: "We are putting in a significant amount of our overall South Africa planned investment of $60 million into this acquisition." Though the company officially declined to comment on the deal size, sources put the number to around $30 million.

Seven-year-old CCN reported revenues of over $19 million for the financial year 2008-09. The company's clientele includes both onshore and off-shore customers with significant revenues from UK-based clients. CCN has a capacity of 700 seats and has over 1,000 employees operating at its two facilities. Aparup Sengupta, global CEO and managing director of Aegis, said that the company planned to hire 4,000 people for the entity over the next three years.

"CCN is a strategic fit for Aegis and South Africa is an integral part of our growth strategy. We plan to hire another 4,000 people in the next three years in the country, a step towards our commitment to creating 5,000 jobs in South Africa over a period of time," Sengupta said. He added that the company planned to service its European clients out of the South Africa centre.

With more than 33,000 employees globally, Aegis has 32 delivery facilities across the world. The company had acquired a Nasdaq-listed outsourcing firm PeopleSupport, Inc, in October last year. Recently, Aegis had spun off its technology arm into a separate company, Aegis Tech Ltd, to offer end-to-end software solutions.

The company had said that it would invest around $100 million in the new venture over the next 12 months. Aegis reported revenues close to $500 million for the year ended March 2009. ■

African Fund Invests Rs 450 cr in Essar Telecom Kenya

Essar Telecom Kenya Holdings Ltd (ETKHL), a subsidiary of Essar Telecom Ltd, said Pan African Infrastructure Development Fund (PAIDF) has invested $93.75 million (around Rs 450 crore) in ETKHL to expand East African operations of Essar.

PAIDF is a Pan African fund focussed on investing in and developing infrastructure projects across African nations. It is based in Johannesburg and Tunisia.

ETKHL had recently acquired controlling interest in Econet Wireless Kenya and subsequently renamed the company as Essar Telecom Kenya Ltd. It operates a GSM telephony licence in Kenya under the brand "yu". ETKL launched its services in October 2008.

The company already has approximate 400,000 subscribers on its network in Nairobi and Mombasa and expects this number to grow significantly as it completes it roll out across Kenya by end of the year, a press release said.

Srinivasa Iyengar, CEO of ETKL, said: "We are delighted to have PAIDF, Africa's largest infrastructure equity fund, as an investor in our business. This also signifies the immense value that ETKL has managed to build in a short span of time. We look forward to leveraging our understanding and experience of the telecommunications industry along with PAIDF's regional presence and intelligence as ETKL enters its next phase of network rollout in the Kenyan market."

Tshepo Mahloele, CEO, Harith Fund Managers for PAIDF, said: "The fund is excited about the telecom opportunity and to be partnering with the Essar Group. We are certain that the Essar Group will bring about a landscape change to the mobile telecoms market in the East African region that will extend beyond Kenya. The partnership between the Fund and Essar Group is in line with our strategy of partnering with companies and individuals looking to expand on infrastructure investment opportunities in the African continent."

ETKL has launched its operations as Kenya's fourth mobile telecommunications operator under the 'yu' brand. yu's market strategy primarily has been to target the youth with the launch of attractive tariffs, innovative products and services. yu has been able to achieve 70% brand awareness since launch among its target audience.

ETKL has been operating under a low-cost model that has revolutionised the Kenyan mobile market and enabled it to significantly reduce the cost of mobile communications.

Essar Telecom Kenya Ltd operates a GSM telephony licence in Kenya under the brand name 'yu.' The company already has around 400,000 subscribers on its network in Nairobi and Mombasa. ■

Essar in talks with Dhabi to Buy Africa Telecom Assets

The Essar Group has entered into exclusive discussions to pick up majority stake in the African telecom assets of the Dhabi Group, an investment company led by members of the Abu Dhabi royal family.

Through its subsidiary named Warid Telecom, the Dhabi Group owns mobile networks in Pakistan, Bangladesh, Congo, Uganda and Cote d'Ivoire. The discussions with the Essar Group are for Congo and Uganda operations only.

A recent statement issued by the two groups said the "two companies had agreed to enter into exclusive discussions in relation to an investment by the Essar Group in the telecommunications portfolio of Dhabi Group's African assets". Standard Chartered Bank is acting as exclusive financial advisor to the Dhabi Group.

According to sources, Essar is likely to pick up controlling stake in the African telecom assets. A preliminary agreement between the Dhabi Group and Essar was signed in Abu Dhabi, in a meeting between Essar's Group CEO Prashant Ruia and Dhabi Group chairman Sheikh Nahayan Al-Nahayan.

The announcement comes just a fortnight after Essar bought majority stake in Econet Wireless Kenya, offering mobile services in that country under the "yu" brand name.

The company already has around 400,000 subscribers on its network in Nairobi and Mombasa and expects the number to grow significantly as it completes it roll out across Kenya by end of the year.

Back home, Essar holds 33 percent stake in Vodafone-Essar, which is a joint venture with the Vodafone Group, and is the country's second largest GSM operator with over 75 million subscribers.

The group owns Essar Telecom Infrastructure, one of the largest independent telecom tower infrastructure providers in India and operates an outsourcing services business under the Aegis brand, with over 33,000 employees globally across 32 delivery centres in the Philippines, Costa Rica, US, Africa and India.

Dhabi Group and its chairman, HH Sheikh Nahayan Mabarak Al Nahayan, lead a consortium of investors composed of private equity and family offices in the region. The Group has diversified business interests with a focus on emerging market opportunities in financial services, telecommunications and real estate.

Dhabi Group and its consortia have banking interests in Asia; its portfolio was expanded in 2005 to include telecommunications services in Asia and Africa. Other business interests include real estate development, hotels, oil-related services, and manufacturing/ diversified industrials.

The Group aims to strengthen its reach and diversify its portfolio through a series of strategic partnerships that will help optimise its potential in the emerging markets. ■

Apollo Launches Specialty JV Hospital in Mauritius

Apollo Hospitals Group, Asia's largest healthcare services provider, has inaugurated Apollo Bramwell Hospitals, a state-of-the-art multi-specialty hospital in Moka, Mauritius, as a joint venture with British American Investment Co (Mtius) Ltd. Navinchandra Ramgoolam, Prime Minister of the Republic of Mauritius, inaugurated the facility in the presence of Prathap C Reddy, Chairman, Apollo Hospitals Group and Dawood A Rawat, Chairman, British American Investment Group.

Apollo Bramwell Hospital, Mauritius, will offer a unique blend of holistic medicine and complementary therapies such as Ayurveda, acupuncture, aromatherapy and music therapy. Simultaneously, the hospital is equipped with state-of-the-art radiology, imaging and laboratory facilities. Designed as a centre of medical excellence in the region, the hospital will cater to global patients. The 220-bed hospital has been set up with an estimated investment of $70 million.

Speaking on the occasion, Reddy said, "Having established pioneering benchmarks in healthcare, our vision is to build hospitals which serve as destination points for the global healthcare travellers in key international markets. We believe that Mauritius serves as a strategic location, which besides catering to the local population, can also address the patient community in the African continent."

The Apollo Group is committed to make the hospital a global centre of medical excellence by bringing in the best expertise, talent and technology, he added. ■

India in Deal with Nigeria to Curb Fake Pharma Exports

India is poised to sign an exhaustive agreement with Nigeria to boost pharmaceutical exports. The Department of Pharmaceuticals and the ministries of commerce, external affairs and health will start talks with a visiting Nigerian delegation on ways to prevent fake drugs from other countries bearing fabricated 'Made-in-India' labels from reaching the Rs 1,000-crore West African market for Indian generic drugs.

Orchid Chemicals and Pharmaceuticals and Medo Pharma are the biggest Indian exporters to the region. To salvage the reputation of Indian generic drug exporters and to promote sales of Indian generics, India is likely to

Recently, a delegation of Indian authorities led by officials from the Commerce Ministry also visited Johannesburg to discuss the issue of fake drugs.

During the proposed talks, both the governments will identify steps to encourage Indian drug companies to set up manufacturing units in Nigeria and explore whether Indian public sector drug makers can supply low-cost quality drugs to the Nigerian government.

The African country had seized a large consignment of fake anti-malarial drugs labelled 'Made in India' in May this year that was later traced to China. Three such consignments from China were also seized by the Indian authorities at the Chennai Port. India has also demanded that China should take strict action against the manufacturers whose names and addresses were printed on the confiscated cartons.

"Supply of spurious drugs to Africa is on the rise. Urgent steps have to be taken to ensure that India's reputation as a reliable supplier of high-quality, low-cost medicines is not ruined. The sooner we act, the better for us," the official said. Africa accounts for over 15 percent of India's total generic exports worth Rs 30,000 crore annually. ■

use resources from the 'challenge India fund' maintained by the Commerce Ministry.

"Both the governments will also discuss setting up a network of retail pharmacies in Nigeria operating with government licence, and putting an end to the existing unregulated medicine outlets," said an official.

The move will enable the government to put in place a fool-proof system to ensure that fake drugs are not passed off as imported generic drugs from India.

HCL Tech in $7.7-m pact with S African co for SAP solutions

Just six months after acquiring UK-based SAP consulting major Axon Plc for around £440 million, the country's fifth largest software firm, HCL Technologies, has entered into a strategic partnership with South Africa's UCS Group. As part of the all-cash deal, HCL will acquire UCS's enterprise solutions SAP practice focused on the retail sector for $ 7.7 million.

Ram Krishna, corporate vice-president and head of enterprise application services, HCL Technologies, said that the acquisition would help the company offer SAP consulting services to the retail sector in South Africa and other key markets globally. "With Axon's strengths in the utility, energy and government space, we felt the need to have robust offerings in the retail sector. This is in line with our aim to become the top three players globally in the SAP space," he said.

Krishna said the acquired arm would operate under the retail division of HCL Axon. The transaction is expected to become operational by August 1, and will entail a growth centered earn-out over the next two years. "Besides an upfront cash payout of $7.7 million, we will offer them an earn-out linked to a certain growth over the next two years. But, the cap of the total payment will be at $18.5 million, which includes the acquisition amount."

While Krishna declined to share the revenues of the arm, he said revenues for the full year at the current operational run rate could be around $8.75 million. As part of the agreement, 67 employees of the retail-SAP arm of UCS will move to HCL Axon along with the arm's clients. The move will give HCL a footprint in the South African market along with marking its entry into the retail-SAP space.

Krishna said that the company had six large retail chains in South Africa as its clients. ■

India-Nigeria Trade Growing, Touches $10 bn

The value of Nigeria-India trade is in the region of $10 billion, Indian Deputy High Commissioner in Nigeria Anil Trigunayat has said.

Speaking recently Trigunayat said Nigeria this year emerged as India's largest business trading partner, adding that Indian export to Nigeria hit about $1billion while Nigeria's export to India hit over $9 billion dollars.

He said though India is not a capitalist economy, its economy has been integrated into the world economy, adding that his country is a leader in many areas ranging from ICT, space technology, small and medium scale enterprises among others.

He added that Cooperation between Nigeria and India, which dated back to 1978 has grown from strength to strength as evidenced by the visit of their Prime Minister to Nigeria last year.

He explained that during the visit of the Prime Minister last year, he signed a bilateral relations agreement on 15 target areas with President Yar'adua which is currently being negotiated and will be concluded in the next few months.

Under the agreement, he said his country is going to invest about $12 to15 billion dollars in various mega projects which target the 15 areas and include energy, pharmaceuticals, space technology, bio-mass energy, ICT etc. ■

Emami Biotech Launches Biofuel Project in Ethiopia

Koklata-based Emami Biotech, a part of the Rs 2,000-crore Emami Group, will invest Rs 400 crore in a plantation project over five years in Oromia in Ethiopia. The company will engage in plantation of biofuel crops (jatropha) and other edible and non-edible oil seeds on 100,000 acres allotted to Emami Biotech by the Oromia Investment Commission.

Group Director Aditya Agarwal told reporters recently that Emami had already taken possession of 27,500 acres and work had begun, involving a capital outlay of about Rs 120 crore. The project also envisages setting up an extraction plant.

"While Emami Biotech will bear 30 percent of the project cost, the remaining funds will be mobilized from banks and financial institutions," Agarwal said.

Once completed, the project will be able to churn out 100,000 tonnes of crude biofuel or edible oil per annum. While the biofuel will be exported to India for producing biodiesel, the edible oil produced in Ethiopia will be used for local consumption. The commercial plantation work has already begun on the land, which has been offered to Emami Biotech on a 45-year renewable lease. It had engaged Mott McDonald for conducting a feasibility study for the project.

"So far, this is the biggest overseas project of Emami Group. Also, Emami Biotech has entered into a technical collaboration with the Tamil Nadu Agricultural University for the institution's expertise in agri-related projects," Agarwal said.

Another Emami Group Director Manish Goenka said: "We chose Ethiopia for investment because of availability of labour, contiguous land, congenial business environment and stable law and order situation. Besides catering to our domestic needs, the Ethiopian project has a huge potential for the global export market."

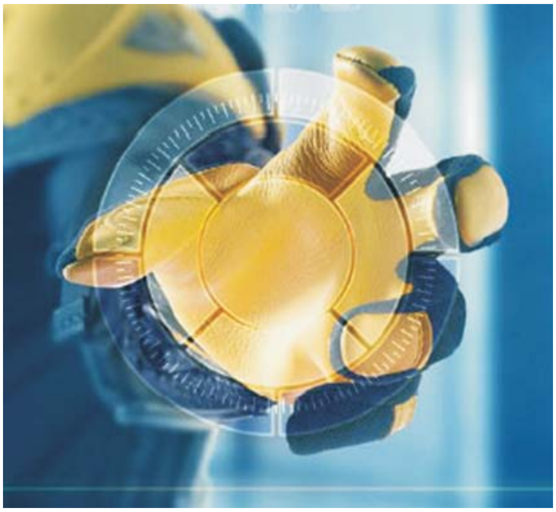
Emami Biotech is also planning to develop two edible oil plants in Gujarat and Tamil Nadu.

"We have already signed a memorandum of understanding with the Gujarat government for developing the plant and are scouting for an appropriate site in Tamil Nadu near the ports. The initial capacity at the Gujarat plant would be around 1,000 tonnes of edible oil a day," Goenka said. ■

World Cup Saves South African ICT from Stagnation

The 2010 Football World Cup has helped South Africa's ICT businesses weather the recessionary storm. The telecoms industry alone contributes 7.0 percent to South Africa's GDP representing R99-billion (€9-billion) according to the 2009 Telecommunications Sector Research Report.

At the same size of the mining sector, it clearly indicates the value the ICT sector brings to the South African economy. The same report also expects telecoms to grow at 14 percent yearly.



A director at the Industrial Development Corporation (IDC) of South Africa, Mark Walker, believes 2010 projects have ensured the ICT sector does not stagnate during the recession, which South Africa officially entered into earlier this year, as well as ensuring there were opportunities for growth.

While many businesses may not reach their targets, overall spending on ICT had not dropped, said Walker. He suggested that South African ICT firms had been buffered by the crisis by financing directed towards 2010 projects. He further believed that the implementation of 2010 projects next year will ensure that spending continues.

“Next year, consulting and customization projects will take up the spending. I see it making a good contribution to the overall ICT spend,” he said. Walker is further confident that spending would not end after the final penalty is taken, as the IDC expects government will, post-2010, invest heavily in ICT and related infrastructure projects. ■

AfDB Raises $1.5 bn Through Global Bond Issue

The African Development Bank at the close of September reported orders for over US$1.5 billion for its recent $1 bln benchmark global bond issue in the international market.

According to capital market souirces, AfDB's three-year bond, lead-managed by Credit Suisse, Deutsche Bank, Goldman Sachs and Morgan Stanley, was priced at “mid swap flat” and carries a coupon of 1.75 percent.

“This transaction is a testimony of the confidence capital markets have towards the African Development Bank," said AfDB Treasurer, Pierre Van Peteghem. "It is the fifth transaction by the Bank in 2009 and the third $1 bln global benchmark market completed in 2009.”

Investor participation was from all over the world, including Americas (57 percent), Middle-East (18 percent), Europe (16 percent) and Asia (9.0 percent). The “orderbook”, the list of those investing, was also satisfactory and was dominated by central banks and official institutions (52 percent) and fund managers (42 percent).

The AfDB's borrowing program for 2009 was authorized for an amount of up to $9.8 bln, of which it has completed 61 percent. The global bond is the Bank's ninth since 2002 in line with its strategy of maintaining presence and being “a rare but consistent issuer” according to the announcement. ■

Kenya's Software Developers Create Internet Market Boom

Although most of Africa still lacks access to high-speed Internet, Kenya's once-neglected technology sector is booming, thanks in part to a growing group of some of the region's most talented software developers.

Mobile phone penetration in East Africa is relatively high but few investors have been willing to put money into local software, and the kind of real-time exchange of information that could make global tech companies successful has been impossible until now.

But all of that is set to change.

The first of three undersea fibre optic cables linking East Africa to the world is expected to be landed by June 2009, and Kenyan entrepreneurs are working hard to build businesses to meet expected demand for inventive products with African users in mind and an eye on global competition.

"We're looking for Africa's next Google," said Richard Bell, the chief executive officer of East Africa Capital Partners, a Nairobi-based venture capital group.

The group has created a U.S. $100 million fund with private investors and the United States Overseas Private Investment Corporation (OPIC). "The region itself has real global comparative advantage in ICT (information and communications technology)... We have bet the farm on the fact that East Africa is going to see tremendous growth," said Bell.

Innovative Startups

A number of tech startups have emerged in Kenya's capital, Nairobi, in venues ranging from sparsely-furnished flats in residential neighborhoods to mod fishbowl-style glass and steel office units in some of the city's skyscrapers. ■

South Africa to Aid Private Energy Players

The South African government is in the process of setting up an independent agency that would allow the coming on board of new energy players. The African National Congress (ANC) led government believes it would be best to leave out current energy company, Eskom out of the process.

ANC Secretary-General, Gwede Mantashe, said a discrete process should be created to speed up the finalizing of the tender processes for the private power producers. "It is important that there be an independent body to look into this issue. However Eskom will still be the buyer of the electricity.

"The new body will also deal with other electricity issues, such as the erection of baseload power stations by other producers," said Mantashe.

It has been more than a year since private power producers submitted tenders for the construction of private power stations, including baseload power stations. There is yet to be a response from Eskom a development that has virtually crippled the introduction of new private players.

Baseload power stations continuously generate power, as opposed to peak-usage power stations that are brought into service only at particular times.

One of the interested energy companies, CIC Energy, which has well-advanced plans for a large 2 400 MW coal-fired power station in the Mmamabula coalfield in Botswana, from which power is to be delivered to Eskom, has indefinitely deferred its project because of the delay in concluding an electricity contract with Eskom. ■

Sharma asks Pharma Exporters to Take Advantage of Incentives

Union Minister of Commerce and Industry Anand Sharma, while addressing the Indo-Africa Pharma Business Meet in Hyderabad recently, has stated that the exports of drugs, pharmaceuticals and fine chemicals for the year 2008-09 stood at Rs.39,538 crore (around US $ 9.35 billion), registering a growth of about 29 percent over the previous year.

The 3-day meet held from 25 to 27 September, 2009 was attended by Drug Regulatory Authorities from African countries, viz., South Africa, Kenya, Nigeria, Ghana, Zambia and Uganda along with the Health Minister of Kenya and DG-NAFDAC, Nigeria. During the event, apart from Buyer-Seller Meet, Drug Controller General of India made a presentation on Drug Regulation Mechanism in India before the Drug Regulators of African countries

"In recent times the Indian pharmaceutical sector has emerged as one of the major contributors to Indian exports with export earnings rising from a negligible amount in early 1990s to Rs.29,139.57 crore (US $ 7.24 bn) by 2007-08. The exports of Drugs, pharmaceuticals & fine chemicals of India have grown at a compounded annual growth rate of 17.8 percent during the five-year period 2003-04 to 2007-08", Sharma said.

Recognizing the contribution of the Indian pharmaceutical industry in exports of the country, Sharma said that several benefits have been extended to the industry in the Foreign Trade Policy announced recently viz., (i) Additional resources have been made available under the Market Development Assistance Scheme and Market Access Initiative Scheme. PHARMEXCIL, the Export Promotion Council has been provided funds for Brand Promotion of Indian pharmaceutical industry in Africa under MAI Scheme. (ii) Incentive available under Focus Market Scheme has been raised from 2.5 percent to 3.0 percent. The pharma sector will also benefit with this. (iii) Incentive under Focus Product Scheme has been raised from 1.25 percent to 2.0 percent. (iv) Pharmaceutical has been included in Market linked Focus Product Scheme. Thus exports to Algeria, Egypt, Kenya, Nigeria, South Africa and Tanzania will be eligible for benefit under this Scheme. (v) Zero duty has been introduced under EPCG Scheme for aiding technological upgradation for pharma sector also.

Sharma said that in generic medicines sector i.e., tablets and capsules, injectables and infusion, oral solutions, ointments and creams, Indian companies have established their lead in most of the markets including Africa. He further added that the growing export of India in African countries has started causing concern in multinational companies who have started a campaign as Indian generic medicines being counterfeit and substandard.

Sharma distributed awards to the leading exporters of the pharma sector. The Minister also announced the Government of India's decision to establish National institute of Design in Hyderabad as a mark of respect to the departed Chief Minister Y.S. Rajshekhar Reddy. ■

'Invest India' JV Proposal Gets Govt Approval

The Government of India has approved the proposal of the Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce and Industry for the formation of a not-for-profit company "Invest India" under section 25 of the Companies Act, 1956, for promotion of Foreign Direct Investments(FDI) into the country.

Announcing this at a press conference recently in New Delhi, Union Minister of Commerce and Industry Anand Sharma has said that the proposed company will be a joint venture between the Government of India, Federation of Indian Chambers of Commerce and Industry (FICCI) and the State Government(s).

The Minister said the proposed company will be responsible for promoting foreign investments into the country in a more focussed, comprehensive and structured manner. It will assist the Government in its efforts towards projecting India as an attractive investment destination for foreign investors and facilitating them in identifying and realizing investment opportunities in India.

"The unique feature of this company is the partnership between the private sector organization and the Government of India and the State Government(s). This is, unlike anywhere else in the world and seeks both to leverage the synergies of all three as well as address their investment priorities", Sharma added.

The salient features of the proposed company include its management structure which will comprise of the Board of Directors with six members from DIPP and six members from FICCI. Secretary DIPP will be its Non Executive Chairman. The Board of Directors will appoint a Managing Director and FICCI will provide the administrative, personnel and management support for day to day functioning. As far as equity is concerned the authorized capital of the company will be Rs 10 crore and the initial paid up capital Rs.1crore. While FICCI will have 51 percent share in the equity, DIPP will have 49 percent share to begin with. DIPP's share will be reduced overtime to 35 percent of paid up capital with induction of fresh equity by the State Governments (28 in no.) which will get 0.5 percent share each in the Equity. The financial implication of the proposal for DIPP is Rs 49 lakh only and will be met from the funds provided under the ongoing XI Plan Scheme for Investment Promotion.

The company will act as the first reference point for any investor interested in India and will also facilitate in setting up business within the country, by making available sector wise consultants and coordinating with the state government on feasible measures. It will conduct capacity building exercises at the state government level to create an investor friendly environment. It will also undertake promotional work by expanding investor awareness beyond the metros. The company will assist DIPP and other ministries and departments in investment promotion projects/events and any other activity within the ambit of investment promotion.

Background:

• DIPP is the nodal department for all matters related with FDI promotion. DIPP has so far actively engaged with major Industry Associations for promotion of FDI. There is, however, a need for more proactive and comprehensive measures and sustained efforts to promote FDI in a more targeted manner with a country specific, sector specific or even investor specific focus, over the long run. Therefore, there was a need for a dedicated organization to achieve this objective.

• Even as countries across the world compete fiercely to attract FDI, setting up an Investment Promotion Agency is a key part of their strategy to attract foreign Investors. There are more than 160 Investment Promotion Agencies at the national level & over 250 at the sub national level, world wide.

Most developed countries have such dedicated agencies for undertaking investment promotion activities, such as Austrian Business Agency (Austria), Costa Rican Investment and Development Board (Costa Rica), Invest in Sweden(Sweden), Invest in Germany(Germany), Investment in Canada Bureau (Canada), Invest in Denmark (Denmark), Invest in France(France), China Investment Promotion Agency(China), National Agency for Direct Investment (Russia), Trade & Investment of the UK (UK) Austrade (Australia),etc. ■

Ethiopian on Expansion Spree, Buys 17 New Aircraft

Ethiopian Airlines has placed an order for five B777-200LRs from the Boeing Company and twelve A350-900s from Airbus constituting one of the biggest ever purchases of aircraft in aviation history, according to a press release issued in Addis Ababa recently. Ethiopian will begin taking deliveries of the B777-200LR in October, 2010 and the A-350-900 in 2017.

The order for the five B777-200LRs is valued at $ 1.3 billion and the twelve A-350-900s at $2.9 billion, both based on list price. The B777-200LR will be powered by General Electric GE90-115 engines while the A-350-900 will be powered by Trent XWB-84.

Girma Wake, the CEO of Ethiopian Airlines, signed a definitive agreement with Boeing's Sales Director for the Middle East and Africa, Skip H. Thompson for the purchase of the five B777-200LR. Girma also signed a Memorandum of Understanding with Airbus Vice President of Sales for North Africa, Francois Cognard for the acquisition of 12 A350-900s at Ethiopian head quarters recently.

The new purchase of aircraft from Boeing and Airbus is made in line with Ethiopian's fast growth strategy in which it is predicated that the fleet size would significantly increase in the next 10 to 15 years.

Ethiopian has been one of the fastest growing airlines in the industry during the past five years and continues to maintain the trend firmly. Thus, in order to meet the required level of fleet size going forward, Ethiopian made the decision to diversify its fleet type among Boeing, Airbus and Bombardier aircraft.

Ethiopian has 35 new airplanes on order direct from the manufacturers. Including the recent orders of five B777-200LR and 12 A350-900, Ethiopian has also on order for ten Boeing B787 and eight Bombardier aircraft. These long term investments will also enable Ethiopian to operate one of the youngest and greenest fleet in Africa and provide more efficient and better service to its customers.

Presently, Ethiopian operates 34 aircraft, comprising of 10 B767-300ER, eight B757-200ER, two B757-260 F, two B747F, one MD-11F, five B737-700, one B737-800 and five Fokker 50 aircraft.

New Services to Mombasa

Ethiopian Airlines has announced that effective 25 October 2009 the l launch of new daily flights to Mombasa, Kenya. These new flights will connect the exotic city of Mombasa with Ethiopian's extensive network spanning the four continents.

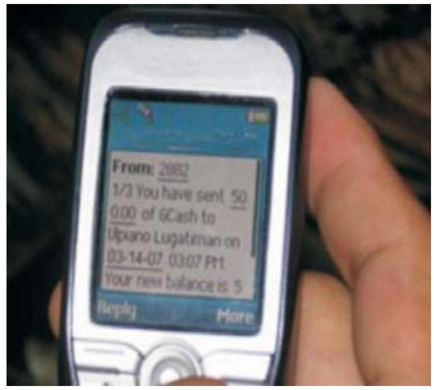
Located on the Indian Ocean, Mombasa is the second largest city in Kenya and is the centre of coastal tourism industry in Kenya. Mombasa is a major trade centre and home to Kenya's only large seaport. Mombasa is known for its beaches, marine parks, 16th century buildings, and wildlife national parks.

The addition of Mombasa to the network increases Ethiopian's already formidable strength in East Africa. Ethiopian already operates daily service to Nairobi, Entebbe, Dar es Salaam, Zanzibar, Bujumbura, Kigali, Djibouti and Kilimanjaro. Mombasa becomes Ethiopian's 10th station in East Africa, 34th station in Africa, and 55th station worldwide.

Ethiopian's new service has been carefully designed to provide business travelers and tourists to and from Mombasa a link via Addis Ababa to stations throughout the world, including London, Washington, Brussels, Rome, Frankfurt, Paris, Dubai, Bombay, Tel Aviv, Bangkok, Hong Kong, Beijing, Guangzhou, Lagos, Abidjan, Khartoum, Cairo and Beirut.

Ethiopian's Chief Operating Officer Tewolde GebreMariam, said: "Our new flights to Mombasa will give passengers faster and more convenient connections from Europe and indeed the world. Our flights to Kilimanjaro and Zanzibar are very popular with travelers, and Mombasa will give our passengers the opportunity to explore more of the beauty of East Africa. Our passengers also will be able to complete government travel formalities directly in Mombasa." ■

Ethiopia Launches First Integrated Call Centre



The first integrated call center in Ethiopia with 2100 employees and a multi-functional electronic payment system that primary uses mobile phones and Point of Sale (POS) terminals is said to be introduced shortly.

Managers of two major IT companies in the country, Offshoring 2.0 Technology Services PLC and WalAfri Mobile Technologies, said that they are at the final stage of launching the 22 million USD projects they have been working on for the past few years.

While the seven million USD investment call center is expected to serve as a major source of foreign currency for the country creating jobs for tens of thousands of compatriots, the new 15 million USD investment electronic payment system, which allows transactions using mobile phones and Pont of Sale (POS) terminals, will commence full operation in Ethiopia in January 2010.

"The new call center provides customer services 24 hours a day, 7 days a week, is aimed at generating a huge amount of foreign currency for the country by exporting 70% of our service," says, Yemiru Chanyalew, founder and CEO of US based IT service company, eVentive LLC and its offshore outsourcing company in Ethiopia, Offshoring 2.0 Technology Services PLC.

According to the company's plan, within a year the country will earn 432 USD in foreign currency, which is 56 million USD higher than Ethiopian's earnings from its major export item-coffee, last year.

"In addition, as business process outsourcing, our call center will also create jobs for 30,000 employees at the end of the year and at the same time enhances the customer service of the country," Yemiru said.

Off shoring 2.0 Technology Systems runs the call center by contracting certain operations of various business functions such as banks, airlines and providing customer support services on their behalf with cheaper prices and well-equipped IT system.

To become globally competitive, the new call center will charge every caller 5 USD per hour to provide the services. "When compared to India's call centers charge of 17 USD per hour and Philippines' 12 USD per hour, we believe that many companies will prefer to outsource their services to us," he says.

Electronic Payment System

The government owned Commercial Bank of Ethiopia is the first bank to introduce electronic payment system by installing ATM in 2001 with still a total of 7 ATMs limited to the capital, Addis Ababa. The private one, Dashen Bank, followed the suit and is able to install a total of 15 ATMs in the past five years. Zemen Bank S.C, which joined the banking sector of the country with multi-channel IT-based banking services and a single branch last year, started providing ATM service recently.

In February 2009 Offshoring Technology Services PLC has agreed with three local banks to manage and operate common ATM called Fettan ATM network, which includes installation of 140 ATMs and over 340 POSs across Ethiopia. Any bank with a core banking system can plug in to Fettan ATM network, which is also expected to start operation in January 2010, according to Yemiru.

Ethiopia is among the under-banked countries in Africa. With a population of 73 million, it has a total of 14 banks with combined branch networks of 520. Meanwhile, one bank branch serves 412,000 Ethiopians, while the ratio is 31,000 in Kenya, 70,000 in Uganda, and 14,000 in Tanzania.

The use of electronic payment system with the rapidly growing mobile phone penetration in the country is believed to change this fact by reaching those people who have mobile phones but do not have a bank branch in a nearby.

In Ethiopia there are about four million mobile users and the government monopoly telecommunication service provider, Ethiopian Telecommunication Corporation plans to increase the number of users to 15 million in the coming few years. ■

Korean Experience Shows Soccer Brings Nations Closer

Since its tentative beginnings in 1930, 16 countries have had the privilege to host a FIFA World Cup™, most of which can attest to the fact that the social legacy of the event goes well beyond the game of football.

For Asia's first time co-host, the Korea Republic, who have already qualified for the 2010 FIFA World Cup, the remnants of co-hosting the 2002 FIFA World Cup remains fresh in the country's memory of how they not only triumphantly made it to the semi-finals but also co-hosted the event with previous adversary, Japan.

"We too have a dark history where regionalism flourished. Korea used to be colonised by Japan, through the event we were able to cooperate with each other, which brought us closer," said Jehak Jang, Director in the Ministry of Foreign Affairs and Trade from South Korea on a recent visit to the 2010 FIFA World Cup Organising Committee South Africa offices.

As the 2002 World Cup was a catalyst of peace for the Asian region, for Jang, 2010 encourages not only South Africans to stand together, but the African continent as a whole, bringing about unity and hope as Africa is showcased to the world.

"In Africa, there are so many cultures, tribes and languages, all of which are coming together for this one event," continued Jang. "The [World Cup] event was very helpful to Korea. The Korean people came together - men, women, young and old - from all regions to support the event, and we are proud of that."

In Jang's opinion, it is the feeling of unity and confidence that remains long after the trophy has been won and the fans have left the host county's shores, which gives rise to opportunity to prepare for other such events. "This is historic for Africa. People must know this. Let them know this story. Proper education will lead to good results. Unity, pride and a sense of confidence that you can overcome difficulties in the future - this is the legacy."

As South Africa gears up for the Final Draw on 4 December in Cape Town, over and above the infrastructure and transport being ready, Jang believes that the most important thing is for fans to leave having had a good experience: "South Africa is a developing country, even if the infrastructure is limited, the most important thing is people's attitude. The kindness of South Africans will allow us to leave here with good memories." ■

South Africa's Flagship Soccer City Getting Final Touches

Bigger than the Olympic Stadium in Berlin, Germany, the Stade De France in France and the Yokohama International Stadium in Japan, Soccer City is one of the largest stadiums to host a 2010 FIFA World Cup™.

Nearing 90 percent complete, with work on the precinct already well under way, and the pitch laid, the sheer size and scale of the stadium awed experts from FIFA and the 2010 FIFA World Cup Organising Committee South Africa (OC) as the recent FIFA stadium inspection tour culminated at the gates of Soccer City.

The stadium, which will host the opening match and the final of the 2010 FIFA World Cup™, has now laid its pitch and the current seating capacity of 87,792 is in place. Progress is approximately 90 percent complete and the stadium bowl is expected to be complete by the end of November.

"It is changing the skyline of Johannesburg for the better. We believe this particular facility will be one of the icons of the city like the Nelson Mandela Bridge, and the Apartheid and Hector Peterson museums and be a tourist attraction for years to come," said Sibongile Mazibuko, Executive Director 2010, City of Johannesburg..

"The opening and closing ceremony will be here and we believe that the eyes of the world will see South Africa though this facility and will truly represent what South Africa is all about - in a calabash around a fire," he added.

In Africa, the calabash is used for cooking food, traditionally over a fire. It is socially synonymous with family time, entertaining friends and sharing stories.

A remarkable aspect of the renovations of the stadium, over and above the 80 000 cubic metres of concrete that will have been poured, the 9 000 tons of reinforcing steel and 8 000 tons of structural steel that would have been erected, are the 10 vertical slots that are aligned geographically with the nine other 2010 stadiums and the Olympic Stadium in Berlin, representing the road to 2010. ■

Around the Stadia Across 4,000 km in Six Exciting Days

It wasn't quite around the world in 80 days, but an inspection tour delegation of over 50 operational experts from FIFA and South Africa's 2010 Organising Committee recently travelled 4,000 km to six cities in six days to run the rule over the country's World Cup stadiums.

A FIFA/OC inspection tour delegation visited South Africa's five newly-built 2010 stadiums, Cape Town's Green Point Stadium, Durban's Moses Mabhida Stadium, Nelson Mandela Bay/Port Elizabeth's Nelson Mandela Bay Stadium, Nelspruit's Mbombela Stadium, Polokwane's Peter Mokaba Stadium and Johannesburg's Soccer City Stadium, which will host the 2010 opening match and final.

The group comprised of operational experts in the following areas: competitions, broadcasting, media operations, medical, volunteers, transport, logistics, safety and security, protocol, marketing, information technology, hospitality, ticketing and risk management.

With South Africa's FIFA World Cup stadiums now all over 90 per cent complete and with the final touches being applied the delegation was impressed with the progress being made on the country's 'football cathedrals' - which will next year be the focus of the world's attention.

Nelson Mandela Bay Stadium

The stadium infrastructure is complete and the stadium became the first newly-built 2010 FIFA World Cup stadium to open its doors in June. The 45,931-seater stadium has already hosted a rugby international tour match featuring the British and Irish Lions, as well as a derby between local sides Kaizer Chiefs and Orlando Pirates, which both attracted large crowds. Work has now begun on the stadium precinct which includes upgrading the access roads into the stadium.

Green Point Stadium

Progress on site is good and the speed of construction is impressive, with the project set for completion on December 14. The roof structure of the stadium is now complete and work has commenced on the stadium precinct. About 50 per cent of the 55,000 permanent seats have been installed. An additional 13,000 temporary seats will be installed for the tournament. The pitch is being grown off-site in Stellenbosch and once major construction has been completed and the site has been cleared, it will be planted at the stadium in October.

Durban Stadium

The construction of the stadium is now approximately 95 percent complete and precinct projects, which include a 250 million rand upgrade of the beach promenade and a new train station adjacent to the stadium, are progressing well. The pitch has been laid and the 56,000 permanent seats are in place. The 13,000 modular seats will be installed by the beginning of next year taking the stadium capacity to 70,000 during the tournament. The city plans to open the stadium and its cable car and walkway to the top of the arch to the public on 28 November 2009. A number of football matches and concerts are planned at the stadium in the coming months.

Mbombela Stadium

Mbombela stadium is now approximately 94 percent complete. The 46,000 seats have been installed and the pitch is currently being laid. Precinct works are also progressing well and infrastructure projects beyond the stadium precinct will be completed in the first quarter of 2010. A number of test events are planned, including a tournament featuring teams from neighbouring countries Mozambique and Swaziland. ■

Cape Town Bustling as 2010 Final Draw Approaches

The City of Cape Town's catchphrase for the 2010 FIFA World Cup™ is "ready to welcome the world". Rather than a catchy, throwaway line, however, city officials are working flat out to ensure they are true to those words and are meticulously planning to ensure they are indeed ready in all respects when it matters most.

Cape Town's first opportunity to showcase its readiness for global sport's biggest showpiece will come when it hosts the Final Draw for the 2010 FIFA World Cup™ on Friday 4 December 2009 at the Cape Town International Convention Centre (CTICC).

On a day that was a national public holiday in South Africa, it certainly wasn't the case inside room 1.40 of the CTICC as over 100 City, Western Cape Province, FIFA and 2010 Organising Committee officials gathered to earnestly fine-tune plans for the Draw.

Illustrating the City's commitment to staging a successful Draw for the world's football fraternity was the fact that the Executive Deputy Mayor of the City of Cape Town, Ian Nielson, was personally on hand today and an eager participant in the deliberations.

While Cape Town is a picturesque city that receives its fair share of international acclaim for its many tourist offerings, the Final Draw for Africa's first FIFA World Cup will be a mega showcase for the city as it welcomes the world's media, broadcasters and FIFA football family, including the coaches of all the qualified teams such as Fabio Capello, Dunga and Bert van Marwijk.

With football powerhouses such as England, Brazil, Holland, Japan, the two Koreas and Ghana among the countries that have already qualified for the 2010 FIFA World Cup, excitement is certainly mounting for the Draw - which will determine the tournament's groupings and match locations.

"We're looking forward to the Final Draw. The fact that so many people are here today on a public holiday shows the great interest and commitment we have to host the greatest World Cup ever here in Cape Town. The city is really starting to feel the bustle and excitement of hosting the Draw. But we don't just want to host a very good Draw, but an excellent one that will be remembered for a long time to come," said Nielson.

An exciting Draw week is planned, which will showcase Cape Town and South Africa's music, history, exquisite scenery, culture and most visibly the city's showpiece Green Point Stadium - which will host one of the 2010 FIFA World Cup's semi-final games.

But before what's set to be a huge party takes place in one of the country's entertainment meccas, the hard work and grind that precedes it is proceeding well.

Transport routes for the event were discussed today, as well as back up routes, accreditation procedures, medical facilities, broadcast positions, photographer positions, media working areas, branding concepts and security plans as well, among a myriad of issues as the City, Province, Organising Committee and FIFA streamline their plans.

And at the end of a productive day the consensus is no doubt that Cape Town certainly is well on its way to being "ready to welcome the world" and coming good on its confident tournament slogan. ■

Polokwane Stadium Takes Soccer Fans Closer to Nature

Fans attending one of the four games that will be played in Polokwane at the 2010 FIFA World Cup™ next year will do so under African skies - warm sun by day and glittering stars by night. The 45,000 seater stadium, which has been built to reflect the landscape of the area, is more modest than some of its big city rivals, but will certainly have visitors to next year's World Cup in no doubts as to where they are.

The four corners are designed to resemble the province's signature baobab trees while the coloured chairs paint a picture of rolling mountains and a warm African sun. A 172 metre roof covers the eastern stand, while the rest of the spectators will be able to stare up at the big African sky.

"The stadium is now largely complete - the pitch has been laid and the last of the chairs are being put in place. All that remains now are some final touches and then we are ready to open," says Polokwane 2010 director, Ndavhe Ramakuela.

The stadium is approximately 95 percent complete. The pitch was laid in August and the last of the 45,000 seats are being put in place. Precinct and infrastructure projects are progressing very well. Test events are being planned, with the first due to take place at the beginning of 2010.

The stadium, built on the outskirts of Polokwane, is just two kilometres from a game reserve, meaning that spotting the odd giraffe or zebra on the way to a World Cup match is not some far-fetched African fantasy.

"Polokwane is a small, intimate city and people visiting us for next year's FIFA World Cup can be guaranteed a warm, African welcome. It's the kind of place where you can breathe out and enjoy a laid back atmosphere in a quiet, natural environment," explains Ramakuela.

But that is not to say that the usually quiet Polokwane, which means "place of safety" in northern Sotho, will not be a place of festivity next year.

"Everything will be within walking distance. Fans will be free to walk the kilometre or so fan mile from the city centre to the Fan Fest at the local cricket club, which is also within walking distance of the stadium. Three of our four matches are in the afternoon, so the celebrations will be an all-day, all-night affair," says Ramakuela.

Although hosting an event the size of a FIFA World Cup is a big deal for this small city, Polokwane is no stranger to welcoming crowds. Zion City Moria, the headquarters of the Zion Christian Church (the largest African Initiated Church in Southern Africa) is just 40 km from Polokwane. Every year at Easter millions of members of this church make an annual pilgrimage to the Limpopo province.

The thousands of football fans who will descend from around the world next year are sure to enjoy the tranquility, until kick-off of course. ■

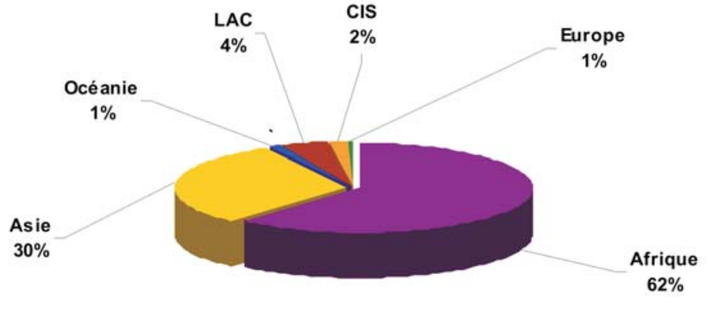
Les Lignes de Crédit d'Exim Bank Offrent des Routes de Pénétration du Marché Efficaces pour les PMEs

L'Exim Bank of India (Exim Bank) a fait une emphase particulière sur la prolongation des Lignes de Crédit (LOCs) en tant que mécanisme de pénétration du marché efficace avec une focalisation particulière sur les petites et moyennes entreprises (PMEs). L'Exim Bank accorde des LOCs aux institutions financières étrangères, aux banques de développement régionales, aux gouvernements souverains et à d'autres entités à l'étranger, en vue de permettre aux acheteurs dans ces pays d'importer des projets de développement et d'infrastructure, des équipements, des biens et des services de l'Inde, selon des termes de crédit différé.

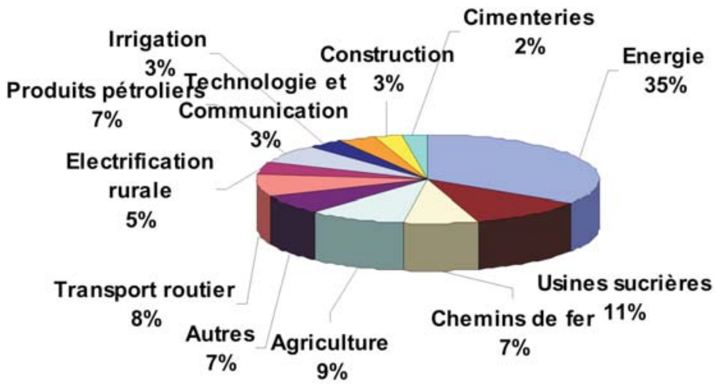
Les exportateurs indiens pourront obtenir le paiement de la valeur éligible de l'Exim Bank, sans avoir recours à eux, contre la négociation des documents d'expédition.

L'Exim Bank accorde également des Lignes de Crédit à la demande du Gouvernement de l'Inde. En ce qui concerne les Lignes de Crédit accordées à la demande du Gouvernement de l'Inde, l'Exim Bank rembourse 100 pour cent de la valeur contractuelle d'avance aux exportateurs indiens, dès l'expédition des marchandises, au moins 85 pour cent des biens et services de la valeur contractuelle totale devant être approvisionnés de l'Inde. Les LOCs de l'Exim Bank proposent une option de financement sans risques et sans recours aux exportateurs indiens.

L'Exim Bank a actuellement en place 123 Lignes de Crédit, couvrant plus de 95 pays en Afrique, en Asie, en Amérique Latine, en Europe et en CIS, avec des engagements de crédit s'élevant à plus de US$ 4,07 milliards, disponibles pour le financement des exportations de l'Inde. Tel que l'on peut constater du graphique circulaire, l'Afrique bénéficie d'une part majeure de ces Lignes de Crédit, suivie par l'Asie et l'Amérique Latine.



Les LOCs accordées par l'Exim Bank de son propre gré ainsi qu'à la demande du Gouvernement de l'Inde et avec le soutien de celui-ci, ont activé l'exportation de nombreux projets dans divers secteurs tels que l'agriculture, le transport, les communications, la fabrication, la production et le transport d'énergie, l'électrification rurale. Les projets relatifs à la production et le transport d'énergie sont les principaux bénéficiaires conformément aux LOCs, suivis par les projets relatifs à l'industrie sucrière, à l'agriculture, au transport routiers, aux chemins de fer, etc. La répartition sectorielle de l'utilisation en ce qui concerne les LOCs est dépeinte dans le graphique circulaire ci-dessous:



Les Lignes de Crédit sont accordées de plus en plus pour le financement des exportations des projets indiens, qui créent, dans les pays destinataires, une plus grande visibilité pour l'expertise indienne et les capacités d'exécution des projets de l'Inde, avec des liens en aval. Établies principalement en vue d'accroître les exportations indiennes vers les pays en voie de développement, aujourd'hui, les Lignes de Crédit sont devenues un outil efficace pour la pénétration du marché et un point de départ vers le territoire vierge des pays d'Afrique et d'Amérique Latine. ■

La Technologie PV: Une Source d'Énergie Renouvelable Efficace pour l'Inde Rurale

- Une Étude de l'Exim Bank

La technologie photovoltaïque (PV) fait des progrès rapides à travers le monde entier et selon une étude réalisée par l'Export-Import Bank of India (Exim Bank), elle est considérée de plus en plus comme étant une source innovatrice d'énergie renouvelable. L'Inde détient un potentiel important en matière de la production d'énergie renouvelable en utilisant le PV solaire, étant donné que ce pays peut exploiter la lumière du soleil pendant presque 300 jours par an. D'autres moteurs de l'industrie PV en Inde comprennent les besoins énergétiques en rapide croissance du pays, la situation persistante du déficit énergétique, et la dépendance du charbon et du pétrole importés pour les exigences de production d'énergie, constate l'étude réalisée par l'Exim Bank.

Capacité et Production

Selon le Ministère des Énergies Nouvelles et Renouvelables, (MNRE) Gouvernement de l'Inde, la capacité totale de fabrication des cellules PV en Inde est estimée à 75 MW, et la capacité totale de fabrication des modules PV était estimée à 110 MW, en 2008. L'industrie a ainsi enregistré une croissance de plus de 35 pour cent au cours des trois dernières années.

Capacité de Fabrication des Cellules et des Modules PV Solaires en Inde

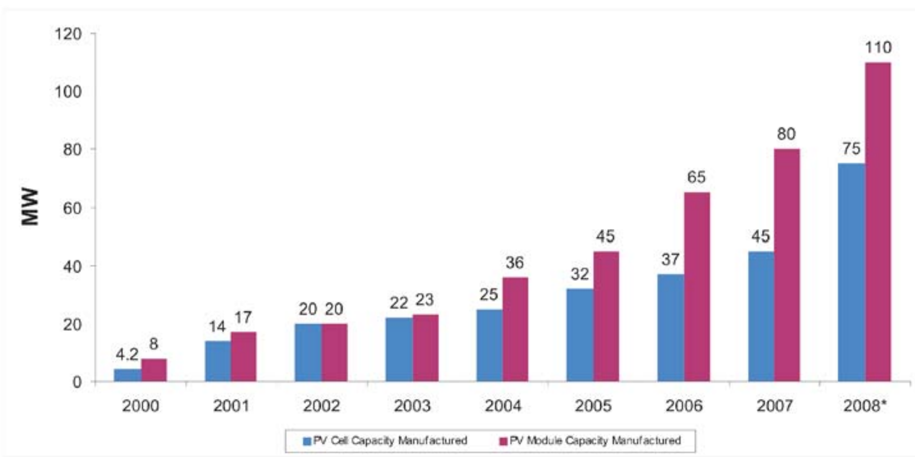
Selon un rapport réalisé par l'Association Indienne des Semi-conducteurs, au cours des cinq dernières années, l'Inde a exporté plus de 220 MW de produits PV. La production indigène de la plaque de silicium est limitée en Inde; par conséquent, la plupart des fabricants de cellules importent des plaques de silicium et quelques-uns des fabricants de modules importent également des cellules au silicium. L'industrie importe aussi de manière significative des matières premières et des composants pour les modules PV.

Selon le MNRE, Gouvernement de l'Inde, jusqu'en 2008, il y avait neuf entreprises qui étaient impliquées dans la fabrication des cellules solaires et 19 entreprises qui étaient impliquées dans la fabrication des modules PV. En outre, environ 50 entreprises étaient activement impliquées dans la fabrication des systèmes PV. Les systèmes PV avec une capacité totale de plus de 460 MW (environ 1 500 000 systèmes) ont été utilisés en Inde jusqu'au 31 mars 2008, pour diverses applications, dont des exportations avec une capacité totale d'environ 275 MW de produits PV (68 pour cent).

Utilisation Sectorielle des Systèmes PV en Inde Commerce

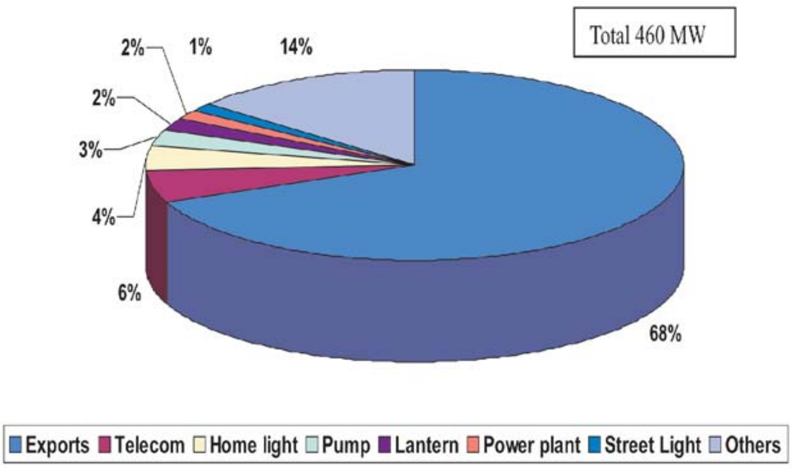
La Direction Générale d'Intelligence Commercial et de Statistiques (Directorate General of Commercial Intelligence and Statistics - DGCIS) a classifié les données relatives au commerce de l'Inde en matière des produits PV (telles que les cellules solaires/cellules photovoltaïques y compris les modules assemblés et les panneaux), conformément au code HS N° 85414011. En 2007-08, l'Inde a exporté des produits PV s'élevant à US $238 millions, ce qui avait augmenté à US $348 millions lors des neuf premiers mois de l'an 2008-09 (avril-décembre 2008), une croissance de 116 pour cent par rapport à la période correspondante lors de l'année précédente.

En termes de marchés cibles, l'Allemagne et l'Espagne sont les deux plus grands marchés pour les produits PV indiens en



** Estimations*

Source: Ministères des Énergies Nouvelles et Renouvelables, Gouvernement de l'Inde



Source: MNRE, Gouvernement de l'Inde

2008-09 (avril-décembre 2008), et représentent 42 pour cent et 40 pour cent respectivement d'exportations totales. En termes d'importations également, l'Allemagne est le marché principal avec une part de 43 pour cent, suivie par Taiwan (36 pour cent), le Japon et l'Espagne (5,0 pour cent chacun). Il est lieu de mentionner que la plupart des importations sont sous forme de plaques de silicium (importées par les fabricants de cellules), et les cellules au silicium (importées par les fabricants de modules).

Initiatives & Politiques du Gouvernement

Plusieurs initiatives en matière de politique prises par le Gouvernement de l'Inde reconnaissent l'importance du secteur PV, dans le domaine de l'énergie renouvelable ainsi que son potentiel. À un niveau global, ces politiques comprennent: Le Plan d'Action pour le Changement Climatique, la Mission Solaire Nationale, et la Politique en matière des Semi-conducteurs propre à l'industrie PV. Il existe des subventions pour l'investissement de capitaux, l'introduction des incitations en fonction de la production (similaires à celles des tarifs d'entrée) pour les projets de production PV solaire interactifs à grilles, et le soutien pour la R&D dans le domaine des technologies PV.

Le Gouvernement a introduit un Programme Photovoltaïque Solaire (SPV), qui a accéléré le développement de la technologie PV en Inde, et a favorisé l'utilisation à travers le pays de nombreuses applications PV par des démonstrations. La base R&D de l'industrie PV indienne a également été développée, dans les domaines tels que le développement de nouveaux matériels, des processus, systèmes, des équipements de production et de test pour les cellules et modules solaires, et l'électronique utilisée dans les systèmes PV, soutenant ainsi les capacités de production indigène. Dans le cadre de ce programme, le MNRE, Gouvernement de l'Inde soutiendra les projets de production d'énergie solaire interactifs à grilles jusqu'à une capacité maximum de 50 MW. Les compagnies enregistrées, en tant que développeurs de projets, seront autorisées à monter des projets d'énergie solaire sur la base de construction-possession-exploitation. Un maximum de productions d'énergie photovoltaïque solaire de 10 MW de capacité serait considéré dans un état donné. La préférence sera accordée aux projets émanant des états où la Commission Réglementaire d'Électricité d'État a annoncé/ou est en cours d'annoncer les tarifs pour l'énergie solaire. En l'absence des tarifs pour l'énergie solaire, l'utilité devrait fournir le tarif le plus élevé offert pour l'achat de l'énergie à moyen terme, ou le tarif maximum établi pour l'énergie de toute autre source d'énergie renouvelable.

Dans le cadre de ce programme, le MNRE, Gouvernement de l'Inde, fournira des incitations en fonction de la production s'élevant à Rs. 12 par kWh pour l'énergie photovoltaïque solaire alimentée dans la grille par les développeurs de projets, compte tenu des tarifs prévus par les organismes utilitaires.

De nombreuses annonces récentes de la part du gouvernement et des mesures politiques suggèrent que l'adoption PV entrerait dans une phase d'expansion importante. Les états de l'Andhra Pradesh, du Goudjerat, du Karnataka, du Maharashtra, du Pendjab, du Rajasthan, du Tamil Nadu et du Bengale de l'Ouest ont annoncé leurs propres projets PV solaires, leurs politiques, plans, et incitations lors des derniers mois, y compris pour la production liée aux grilles. Le MNRE, Gouvernement de l'Inde a ciblé une capacité de production PV liée aux grilles de 50 MW d'ici 2012, ce qui est susceptible de réalisation bien dans les délais.

Industrie PV & Crédits Carbones

Les crédits carbones et le commerce en carbone joueront un rôle important dans l'amélioration de la rentabilité des projets PV. Par exemple, l'Inde pourrait établir des centrales d'énergie solaire à coûts élevés (à l'heure actuelle) et bénéficier des avantages économiques obtenus en sauvant les émissions et gagnant de l'argent par le biais du commerce des émissions sauvées, au lieu de construire des centrales électriques à base de charbon à coûts peu élevés, dont il se peut que les avantages économiques dans l'ensemble ne soient pas énormes. Il est également important de noter qu'un tel environnement économique permettrait de créer un marché mondial pour les technologies d'énergie solaire, et de donner un coup de fouet à la transition mondiale vers les technologies à zéro émission. Il est lieu de mentionner que les pays en voie de développement disposent de plus d'énergie solaire que les pays occidentaux, et que s'il faut éviter le réchauffement de la planète à la longue, les pays en voie de développement doivent produire plus d'énergie solaire que l'énergie produite à partir du combustible fossile. Il est lieu aussi de mentionner que les pays en voie de développement ont des millions de quartiers même de nos jours qui n'ont pas d'électricité approvisionnée par les grilles. Les systèmes d'énergie solaire devront être en mesure de répondre à cet objectif dans l'avenir.

La Perspective du Marché PV en Inde

Les ressources renouvelables, sous forme d'énergie solaire, éolienne, hydroélectrique, de biomasse et géothermique, fournissent l'énergie tout en répondant aux soucis environnementaux. De toutes ces technologies, l'énergie photovoltaïque solaire fournit la solution la plus fiable, extensible et économiquement viable à long terme avec le moindre impact environnemental. De plus, les profils de production d'énergie solaire s'allient parfaitement aux habitudes d'utilisation (c.-à.d., l'énergie la plus élevée est consommée lorsque le soleil est à son apogée). Il est lieu de mentionner que plus de deux-tiers de la population de l'Inde est engagé dans l'agriculture et d'autres activités rurales. Environ 500 millions d'Indiens sont estimés n'avoir aucun accès à l'électricité par les grilles, vu qu'un chiffre estimatif de 80 000 villages ne sont pas reliés aux grilles. Ce segment présente des opportunités importantes pour l'industrie PV.

L'utilisation de la technologie photovoltaïque en Inde est critique étant donné les déficits d'énergie que confronte le pays et le rôle potentiel que l'industrie photovoltaïque pourrait jouer dans la mitigation de cet écart. Cette énergie est utile pour fournir l'énergie fiable de qualité grille dans les zones rurales où la tension de ligne est basse et insuffisante pour satisfaire la charge reliée. Les modules photovoltaïques solaires conviennent idéalement aux applications hors-grille à petite échelle tels que les projets d'électrification rurale. Les installations peuvent être aussi petites que 100 kW, les panneaux et les équipements sont faciles à transporter et à installer dans des lieux éloignés, et ces installations nécessitent peu d'espace. Un autre domaine pour la croissance est le secteur d'irrigation, en particulier l'installation des pompes d'irrigation solaires. Le secteur des télécommunications offre des opportunités de croissance significatives pour l'industrie PV; les stations de base et les tours de téléphonie cellulaire accroissent à travers le pays entier, et elles pourraient installer les systèmes PV solaires au lieu d'utiliser les générateurs à diesel. L'utilisation des systèmes PV dans les zones urbaines accroît également, avec l'augmentation dans le PV intégré dans les bâtiments, l'utilisation du PV pour les panneaux d'affichage, le développement des solutions d'éclairage des rues et des feux de signalisation et l'éclairage des autoroutes. Dans le secteur industriel, les centrales de production d'énergie PV pourraient remplacer la production d'énergie captive à base de diesel.

La situation de parité des grilles ouvrira des débouchés pour de nouveaux modèles commerciaux, telle que la location des systèmes d'énergie solaire. Ceci pourrait supprimer l'obstacle qui confronte les ménages quant à faire leur investissement initial dans le système solaire. Un nouveau type d'entreprise d'énergie pourrait en émerger où une personne possède le système PV sur le toit du client et elle vend l'électricité solaire produite par kWh au propriétaire de la maison. Vu le grand nombre d'entreprises qui empruntent la voie de croissance inorganique et qui se diversifient dans l'industrie PV, le scénario envisagé représente un potentiel de croissance sans précédent ainsi que la croissance de l'industrie dans le pays. ■

L'Exim Bank ainsi que la Banque Européenne d'Investissement facilitent l'Énergie Propre

L'Export-Import Bank of India a signé un accord pour un prêt à long terme équivalant à 150 millions Euros avec des délais allant jusqu'à 15 ans avec la Banque Européenne d'Investissement (EIB) en décembre 2008. C'est pour la première fois au cours des 15 dernières années que l'EIB a accordé une ligne de crédit à une entité indienne. Le but du prêt d'EIB à l'Exim Bank of India est de soutenir les projets qui contribuent à la mitigation du changement climatique et de faire accroître la présence de l'UE en Inde par l'intermédiaire des investissements directs étrangers, le transfert de technologie ou de savoir-faire de l'Europe. Les emprunts dans le cadre de cette structure permettront à la Banque d'accorder des prêts pour l'importation des équipements pour des projets dont des projets d'énergie renouvelable (ex. éolienne, solaire, biomasse etc.), amélioration d'efficacité énergétique (ex. renoncement aux hydrocarbures, modernisation des centrales, etc.) aussi bien que des projets qui réduiraient l'émission des gaz à effet de serre et qui favoriseraient un environnement propre et le boisement.