

Territorial NEWSLETTER Africa

EEPCINDIA
ENGINEERING THE FUTURE

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Chairman's Pen



**Tarvinder
Singh Bhasin**

Because of its abundance in natural resources, African continent continues to remain in the priority list of all the major economies of the world, including China, UK, Israel and also India. China, which has emerged as one the largest trading partner of Africa, is trying to further consolidate its position through its One Belt and One Road (OBOR) initiative. India has also been working tirelessly towards improving trade and investment relations with the continent. India-Africa Summit 2015 and the recent African Development Bank (AfDB) 52nd Annual Meeting organised in Gandhinagar, Gujarat, India are good pointers towards newly evolving relationships. For records, this was the first time that the Annual Meeting of AfDB was held outside the continent.

EEPC India has also been making efforts to strengthen B2B relationships between business communities by organizing and participating in various events/ exhibitions in the continent. We hope, our readers find this Newsletter useful and informative.

Message from Chairman, Committee on Trade with Central, Eastern & Southern Africa



Mahesh Desai

This edition of Territorial Newsletter for Africa focuses on the recent African Development Bank's 52nd Annual Meeting, recently held in Ahmedabad, India. The meeting saw the presence of top leaders of the 54 nations of the continent and also the Indian Prime Minister and Finance Minister. The meeting discussed about the achieved and missed goals of 2016.

The newsletter also presents a brief analysis of trade pattern in engineering products between India and Africa during 2016-17.

Message from Chairman, Committee on Trade with Western & Northern Africa



Aakash Shah

2017-18 has started on a positive note. Engineering exports from India to Africa achieved a growth of over 93% in April 2017 compared to April 2016. Interestingly, engineering export to all the top five countries recorded impressive growth. Export to Liberia increased by over 58 times from \$1.5 million in April 2016 to \$87.2 million in April 2017. Similarly, export to Egypt rose by nearly six times. Besides, this Newsletter also contains information on upcoming tenders from the African region along with factsheets on non-tariff barriers.

I am hopeful that the Newsletter will give fruitful information to our readers.

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Basic Facts: Africa

Population: 1.216 billion (2016)

GDP: USD 3.3 trillion (2017)

Currency: US Dollar (\$) / Canadian Dollar

Climate: Africa is the hottest continent on earth and 60% of the entire land surface consists of dry lands and deserts. Climate of Africa ranges from tropical to subarctic on its highest peaks. Its northern half is primarily desert, or arid, while its central and southern areas contain both savanna plains and very dense jungle regions.

Natural resources: Diamonds, salt, gold, iron, cobalt, uranium, copper, bauxite, silver, petroleum and cocoa beans, woods and tropical fruits. Much of its natural resources are undiscovered or barely harnessed.



Promoting trade relations between India and the Democratic Republic of Congo

The African Development Bank Group concluded its 2017 Annual Meeting on 25th May 2017 in Ahmadabad, India. The Annual Meetings are the Bank's largest annual event and serve to raise the profile of the institution on the global stage. In addition to the Annual Meeting of the Board of Governors, these bring together thousands of delegates and participants. The Annual Meetings provide a unique forum for representatives of government, business, civil society, think-tanks, academia and the media – from Africa and beyond – to debate key issues on Africa's development, and to discuss the Bank's performance in delivering on its mandate.

The Governors endorsed the Bank's leadership in the transformation of African agriculture in the context of the global commitment to end poverty and overcome hunger and food insecurity. They also appreciated Bank's role in attracting more investment for youth in agriculture and the implementation of the Bank Group's Jobs for Youth in Africa Initiative.

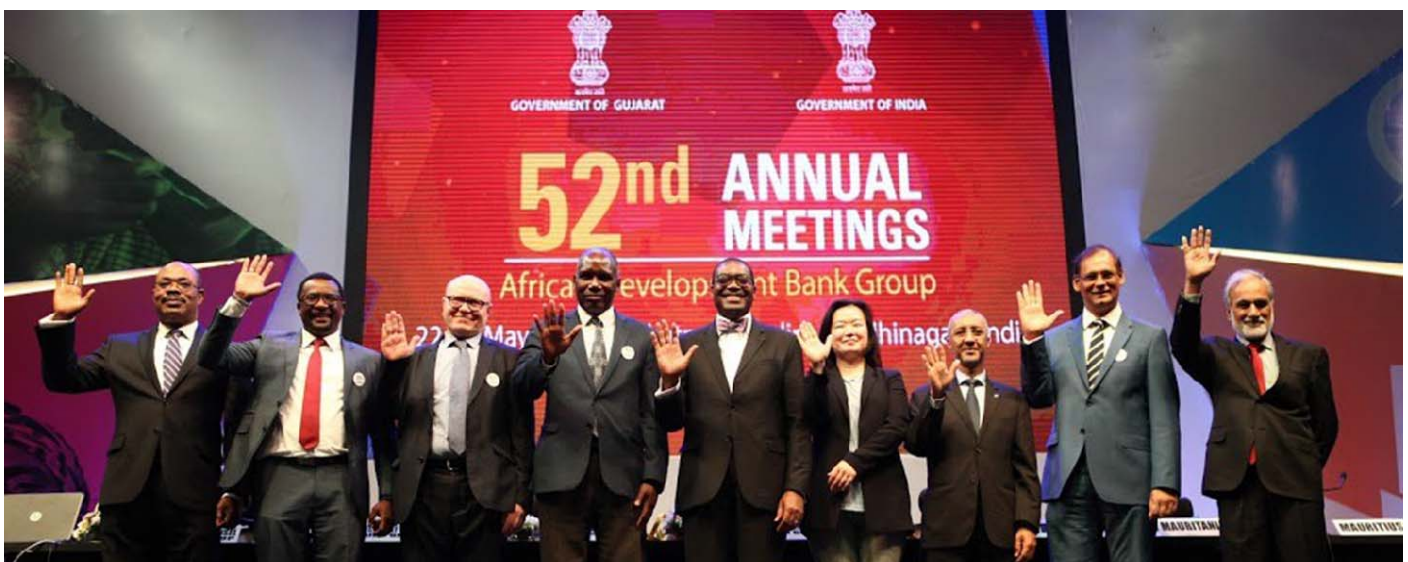
The meeting applauded the Bank's role in the New Deal for Energy in Africa, which aims at providing millions of households with electricity by 2025. The Bank highlighted the need for strong political will on climate change and in line with the 2016 Paris Agreement. Furthermore, the Bank helps leverage opportunities and overcome barriers, including access to finance to achieve transformation of the energy sector.

In his speech, AfDB President, Akinwumi Adesina thanked India and the Indian Prime Minister Narendra Modi, who was present for the meeting and members of his government for providing appropriate structures and an excellent environment for the success of the meeting. Top government officials, business leaders, representatives of NGOs, civil society, as well as members of the academic community and the media participated in the Annual Meeting, which were preceded by high-level meetings, symposiums and seminars on the Bank's High 5 priorities – Light up and power Africa; Feed Africa; Industrialize Africa; Integrate Africa; and Improve the quality of life for the people of Africa.



The 2017 edition of the African Economic Outlook (AEO) and a book on “Beating the Odds: Jump-Starting Developing Countries,” were launched along with the Financial Presentation on the Bank’s operations the previous year.

A series of regional sessions on India–West Africa Economic Cooperation; India–Central & South Africa Forum on Connectivity; India–East Africa Business Forum; and India–North Africa Trade Forum also feature prominently in the knowledge events of the meetings. The Gandhinagar encounter is the fourth time that the Annual Meetings of AfDB are being held outside Africa. The first such meeting took place in Valencia, Spain in 2001; the second in Shanghai, China in 2007; and the third in 2011 in Lisbon, Portugal. Busan, Korea, will host the 53rd meeting on May 21-25, 2018.



India and importance of AfDB Annual Meeting

India joined the African Development Bank (AfDB) in 1983. However, it is only this year, 2017, that it is hosting the annual meetings of the AfDB.

The meetings are important for India for two reasons. Firstly, they will act as a follow-up to the India-Africa Forum Summit in New Delhi in 2015, attended by 40 African heads of state or government and representatives of all 54 countries from the continent. Secondly, after India's boycott of China's One Belt and Road forum, there will be a keenness to understand the India's approach to its own connectivity, infrastructure and developmental projects, particularly in geographies where it competes with Beijing. The AfDB meetings will be a useful reckoner in this regard. The Gujarat government would exploit opportunities for local business through these meetings – by it had seen registration by 5,000 Gujarat-based business executives representing industries.

AfDB week gave boost to India's engagement with a continent where, despite goodwill, it has lagged behind China in project execution. India-Africa trade doubled in the five-year period ending 2014-15, to reach US\$ 72 billion. In the following year, it fell sharply to US\$ 56 billion, a direct consequence of the end of the commodities boom that had led to a surge in Indian resources imports. Indian private sector presence in Africa is significant. Investments amount to US\$ 35 billion and range from automobile manufacture to drugs and pharmaceuticals, textiles to IT services, water treatment to petroleum refining. Africa remains a manufacturing frontier. Unlike China, Indian state agencies are more open to building local capacities in Africa. India's Exim Bank has helped incubate similar institutions in five countries.

India is increasingly seeing value in combining with key partner countries – Germany, the United Kingdom, the United States, France – to pool resources and technical skills in Africa and make a bigger impact. Africa is crucial to the India-fostered International Solar Alliance (ISA). Over a dozen of the ISA's 24 members are from Africa, the continental powerhouse of solar energy.

India stand to benefit by the meetings as it will increase its outreach to other countries and continents and expand its trade and economic relations.

India's latest trend in engineering exports to Africa

India engineering export with Africa – country wise during April 2017 is depicted in the table below. Nations which had the highest demand for Indian engineering products during April 2017 in absolute values include:

Table 1: Engineering Exports to Africa (USD million)

Africa	April 2016 (USD million)	April 2017 (USD million)	Growth (%)
Egypt	42.44	253.73	497.90
South Africa	61.61	120.21	95.12
Liberia	1.51	87.19	5675.82
Nigeria	39.98	45.01	12.56
Kenya	34.34	44.26	28.89
Total Africa	414.91	801.09	93.07

Source: DGC&S

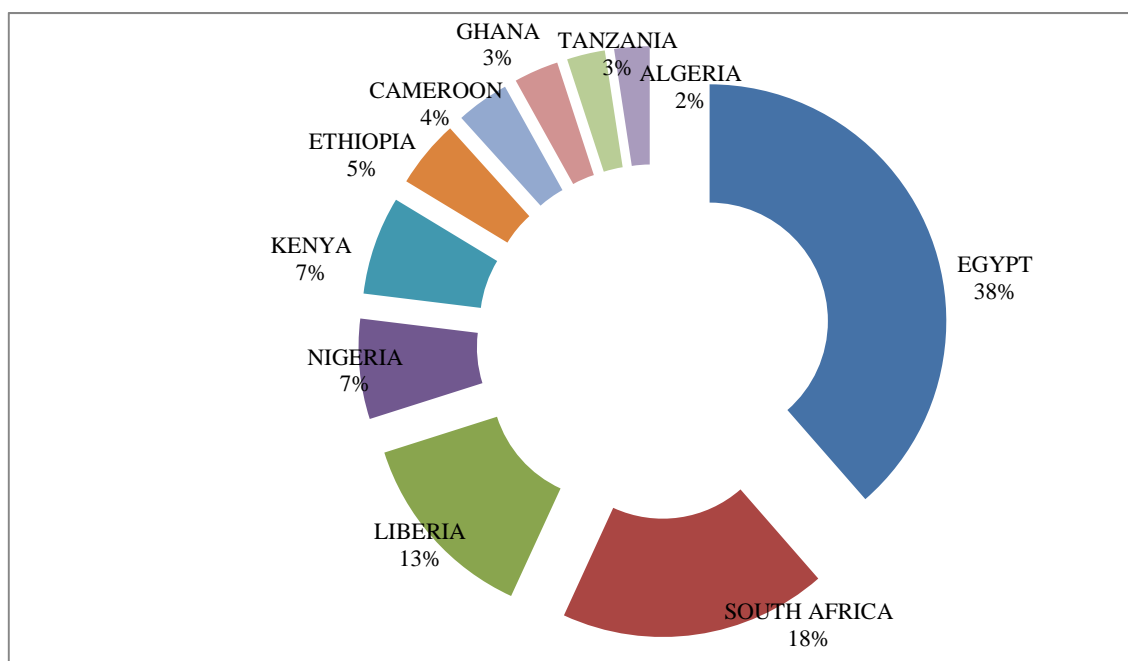
Table 2: Top 15 engineering panels exported to Africa in April 2017 (US\$ Million)

DGCI&S Engineering Panels	India's export in April 2016	India's export in April 2017	Growth (%)
Motor Vehicle/cars	73.55	96.84	31.66
Iron and Steel	34.42	59.98	74.25
Industrial Machinery	60.90	53.51	-12.14
Products of Iron & Steel	38.20	48.18	26.12
Electric Machinery	42.95	35.55	-17.23
Two and Three Wheelers	20.56	33.23	61.60
Auto Components/Part	23.11	26.53	14.82
Construction Machinery	11.72	13.50	15.19
Aluminum and products	8.75	13.10	49.66
Medical and Scientific instruments	11.01	12.46	13.11
Air condition and Refrigerators	11.50	10.76	-6.47
Pumps of all types	7.78	9.52	22.46
IC Engines and Parts	8.11	8.00	-1.33
Bicycle & Parts	7.66	7.22	-5.78
Machinery for ATMs	7.59	6.93	-8.68

Source: DGCI&S

Egypt is the top importer for Indian engineering exports in April 2017 vis-à-vis April 2016 after a long time, with a very high growth rate. The main engineering products exported to the country include Motor Vehicles and Parts, Industrial Machinery, Products of Iron and Steel, Electrical Machinery, Auto Components/Parts, etc. The following pie chart demonstrates share of top African countries in India's total export during April 2017.

Fig 1: India's engineering export share to African Countries (%) in April 2017



Source: DGCI&S

Table 3: Country wise India’s engineering exports to Africa in April 2017

Country	Top products traded
South Africa	Motor Vehicles & parts, Mechanical Machinery, Electrical Machinery, Iron & Steel etc
Nigeria	Motor Vehicles & parts, Mechanical Machinery, Electrical Machinery, Iron & Steel etc
Kenya	Mechanical Machinery, Motor Vehicles & parts, Electrical Machinery, Articles of Iron & Steel etc
Egypt	Motor Vehicles & parts, Mechanical Machinery, Electrical Machinery, Articles of Iron & Steel etc
Algeria	Motor Vehicles & parts, Mechanical Machinery, Electrical Machinery, Optical, Medical and scientific instruments etc
Ethiopia	Iron & Steel, Motor Vehicles & parts, Mechanical Machinery, Electrical Machinery etc
Ghana	Mechanical Machinery, Iron & Steel, Motor Vehicles & parts, Articles of Iron & Steel etc
Tanzania	Motor Vehicles & parts, Mechanical Machinery, Electrical Machinery, Iron & Steel etc
Senegal	Motor Vehicles & parts, Mechanical Machinery, Articles of Iron & Steel, Electrical Machinery, etc
Uganda	Motor Vehicles & parts, Mechanical Machinery, Electrical Machinery, Articles of Iron & Steel etc

Source: Trademap

News in Focus

➤ Infrastructure tops agenda as AfDB, India work towards a ‘more robust Africa’

The African Development Bank (AfDB) is looking to strengthening its relationship with India as part of its larger agenda for a ‘a more robust Africa’.

Motivated by the success of previous cooperation with the country, AfDB is seeking greater ‘productive and winning relationships’ with India through investments in infrastructure, regional integration, regulation of enterprises, skills development and employment, agriculture, health and innovation.

Source: <https://www.afdb.org/en/news-and-events/infrastructure-tops-agenda-as-afdb-india-work-towards-a-more-robust-africa-16995/>

➤ Indian-African to use 'Digital India' as global case study

An Indian-African entrepreneur is planning to use the 'Digital India' model in South Africa as a global case study to incubate innovative digital startups that will propel the continent towards faster growth. Ramesh Awtaney is the founder and chairman of iSON Group, Africa's leading IT conglomerate, who is executing his own vision of 'Digital Africa' inspired by the Indian government's digital drive.

Source: <http://timesofindia.indiatimes.com/nri/other-news/indian-african-to-use-digital-india-as-global-case-study/articleshow/58564680.cms>

➤ GM will cut operations in India, South Africa

General Motors Co plans to quit selling vehicles in India by the end of this year and will sell operations in South Africa, the latest steps in a strategy of focusing cash and engineering effort on fewer, more profitable markets.

The Detroit automaker said on Thursday it will take a \$500 million charge in the second quarter to restructure operations in India, Africa and Singapore. It will cancel most of a planned \$1 billion investment to build a new line of low-cost vehicles in India.

Source: <http://www.reuters.com/article/us-gm-restructuring-idUSKCN18E0P3>

➤ **To counter OBOR, India and Japan propose Asia-Africa sea corridor**

Indian Prime Minister made the pitch for developing an Asia-Africa Growth Corridor (AAGC), with support from Japan, while addressing the annual general meeting of the African Development Bank (AfDB) in Gujarat's capital of Gandhinagar.

Both the Indian and Japanese governments presented a "vision document" for the project that is largely meant to propel growth and investment in Africa, by curtailing the ever-increasing presence of the Chinese on the continent. More concrete details on this corridor are expected to emerge when Prime Minister Modi and his Japanese counterpart Shinzo Abe meet later this year.

Source: <http://indianexpress.com/article/explained/to-counter-obor-india-and-japan-propose-asia-africa-sea-corridor-4681749/>

Trade Barriers

Table 4: Technical barriers to trade

Member Imposing	Notification/ Date of In-Forcement	HS Code	Products Description
Botswana	G/TBT/N/BWA/58; 26 January 2017	8201, 8202, 8203, 8204, 8205, 8467, 8509	Electric tools; Hand-operated tools
Botswana	G/TBT/N/BWA/59; 26 January 2017	8535, 8536, 8537, 8538	Insulating gases, Switches, disconnectors, fuse combinations
Botswana	G/TBT/N/BWA/59; 26 January 2017	820, 820840, 842481, 8432, 8433, 8435, 8436, 8701	Household and electronic equipments, Horticultural equipments
Kenya	G/TBT/N/KEN/542; 20 January 2017	8506, 8541	Solar energy engineering
Kenya	G/TBT/N/KEN/546; 20 January 2017	8546, 8547	Insulating materials
South Africa	G/TBT/N/ZAF/196; 29th March 2017	7303, 7304, 7305, 7322, 8403, 8415, 842840, 8516, 902810, 902820, 902830	Hot water storage, Heating equipments
Uganda	G/TBT/N/UGA/535;	7321	Household steel equipments

Upcoming Exhibitions in Africa

Table 5: List of Exhibitions

Events	Date	Venue	Link
West Africa Building & Construction Ghana	14th- 16th June,2017	Accra, Ghana	http://www.eventseye.com/fairs/f-west-africa-building-construction-ghana-24800-1.html
Automotive Manufacturing Meetings Morocco	21st- 22nd June,2017	Casablanca, Morocco	http://www.eventseye.com/fairs/f-automotive-manufacturing-meetings-morocco-21695-1.html
The Hotel Show Africa	25th- 26th June,2017	Gallagher Convention Centre, Johannesburg	http://www.eventseye.com/fairs/f-the-hotel-show-africa-25000-1.html
Cbm Tec - Mining Copper belt	29th- 30th June,2017	Kitwe Show grounds, Kitwe, Zambia	http://www.eventseye.com/fairs/f-cbm-tec-mining-copperbelt-20828-1.html

Tender information in Africa

Table 6: Tender related information

Title	Deadline	Country	Link
Supply And Delivery Of Tyres, Tubes, Batteries And Motor Vehicle Accessories (TI Ref ID: 40087189)	21 June 2017	Kenya	http://alliances.tendersinfo.com/eepc/awlog.php?action=details&id=40087189
Supply And Commissioning Of Two Factory Built, Fully Mounted Compactor Lorries (TI Ref ID: 39752939)	23 June 2017	Mauritius	http://alliances.tendersinfo.com/eepc/awlog.php?action=details&id=39752939
Supply And Delivery Of Broiler And Layer Production Inputs (TI Ref ID: 40038918)	23 June 2017	South Africa	http://alliances.tendersinfo.com/eepc/awlog.php?action=details&id=40038918
Office / Home, In Cars, Motorcycles, Motor Car And Motorcycle Accessories And Cosmetic (TI Ref ID: 40048655)	18 June 2017	Ethiopia	http://alliances.tendersinfo.com/eepc/awlog.php?action=details&id=40048655

Supply Of Machine Tools On Sugar Complexes (TI Ref ID: 39093669)	28 June 2017	Cote D'Ivoire	http://alliances.tendersinfo.com/eepc/awlog.php?action=details&id=39093669
Supply Of Generators (TI Ref ID: 40072190)	21 June 2017	Egypt	http://alliances.tendersinfo.com/eepc/awlog.php?action=details&id=40072190

For more information, please subscribe to EEPC India's services on International/Global Tender Notifications, upcoming projects and many more. The service keeps you abreast with latest information on tender notices, pre-qualifications, regular corrigendum and procurement notices from government and private organizations all over the world. Through this service, EEPC INDIA provides you numerous business opportunities at very competitive charges.

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