

## Chairman's Pen



**T S Bhasin**

India might be heading to a challenging time in African market in terms of engineering exports. Estimates show a slowdown in GDP growth of Sub-Saharan economies to 1.6% in 2016 compared to 3% growth in 2015. The falling commodity prices and weakness in global financial markets are said to be responsible for this. Further, the report forecasts growth of 2.9% in 2017, as commodity prices are expected to recover.

There is, however, a silver lining to otherwise precarious situation. Countries like Côte d'Ivoire, Rwanda, Tanzania, Ethiopia, and Senegal are doing well in various ways. Some of these have even achieved an annual growth rate of over 6%. I hope that exporters from India would be able to protect their export interests in African market through increased participation in the exhibitions.

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



**Mahesh K Desai**

In this sixteenth edition of the 'Newsletter on Africa', we focus on the economic slump the African continent is going through. On one side some of the major economies of the continent are facing a slowdown there are economies which are also doing well.

This newsletter provides an insight on the top engineering product panels that is imported by African countries including Sub-Saharan and North Africa. Key news and tender information is also provided in the Newsletter.

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



**S S Bhasin**

We are coming out with the sixteenth edition of the 'Newsletter on Africa'. This edition focuses on the reasons of the slow growth of some of the African countries causing the continent to experience lower growth rates. It also provides some leads which can help in revival of growth in the continent.

The newsletter also provides additional information on the various events and tenders in Africa. I hope the readers will benefit from this newsletter and help them grow.

## Basic Facts: Africa

**Area:** 11,668,599 Sq. km

**Population:** 1.1 billion

**GDP:** USD 2.39 trillion

**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.

## Economic Outlook of the Sub-Saharan Africa

The outlook for economies in the sub-Saharan region of Africa does not make for a pleasant situation. The estimates show a slowdown in growth of 1.6% approx for the region this year. That's down from 3% in 2015. The falling commodity prices and continued weakness in global financial markets, particularly the oil-exporting countries like Nigeria, and policy uncertainty are said to be responsible for this slowdown in growth. The bank forecasts growth of 2.9% in 2017, as commodity prices are expected to recover, but only at fairly low levels. Growth is expected to improve in 2018 to 3.6%. It might be noted that during 2003-2008 the average annual growth rate was 7.3%. In the post-financial crisis years, 2011-2016, the region saw a mellow 3.9% growth rate on an average.

Weak aggregate regional performance is deteriorating economic performance in Sub-Saharan Africa's largest economies: Nigeria and South Africa. They've both had a torrid 2016, and the two largest economies together account for 50% of the region's output. South Africa seems to have made it through the worst of its challenges so far and stabilized its currency, but it is still keeping fingers crossed for an improvement in unemployment and a continued rise in exports and manufacturing. An increase in manufacturing output and sustained growth in commerce and finance has helped GDP growth rebound to 0.6 percent in the second quarter. Nigeria is still going through economic struggles as the naira keeps falling. Nigeria is the region's largest oil exporter, but low oil revenues, disruptions to oil production, delayed implementation of the 2016 budget, and a fall in manufacturing pushed the economy into recession. A tighter monetary policy and an

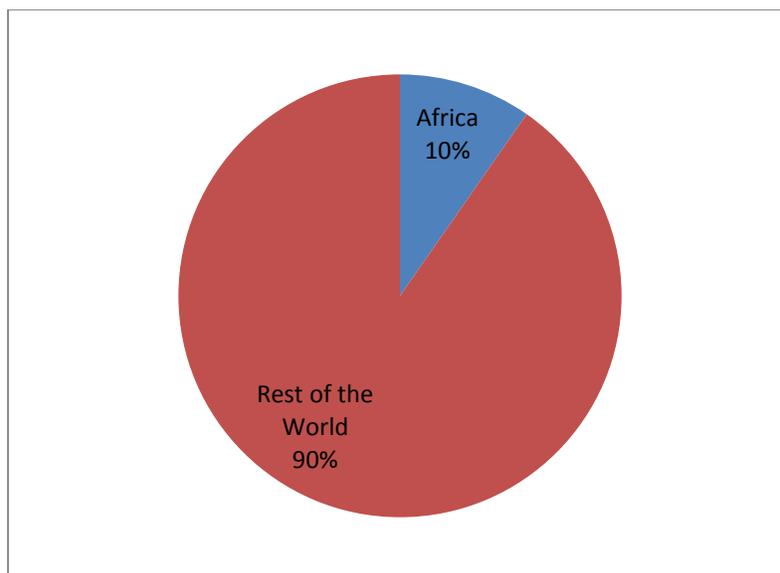
expansionary budget will help restart the Nigerian economy in 2017. Apart from Nigeria and South Africa, the continent's bad performing economies include Zimbabwe.

African countries like Côte d'Ivoire, Rwanda, Tanzania, Ethiopia, and Senegal are doing well in various ways; some of these have even achieved an annual growth rate of over 6%. Côte d'Ivoire is acknowledged for its product diversification, while Senegal has been doing well with export diversification. Tanzania and Rwanda have better economic management and good structural policies. Ethiopia is doing well with investment growth from outside the continent growing and supporting infrastructure and manufacturing expansion of the country.

Adjustments to macroeconomic policy are needed in many countries to address fiscal vulnerabilities, improve domestic resource mobilization, and build adequate system to withstand periods of global economic turbulence and tighter external finance conditions. As countries look to bolster medium-term growth prospects accelerating the pace of structural reforms will be the key. Increasing agricultural productivity is central to transforming Sub-Saharan African economies and promoting sustained and inclusive growth. Productivity improvements requires public investments in rural public goods also investments help to strengthen markets, develop and disseminate improved technologies, promote input use, and build an agricultural information base. But the investments in the region remain well under targets and needs. But economic prospects for the region aren't uniformly bleak. About 19 countries, like Côte d'Ivoire, Ethiopia, Senegal, and Tanzania, continue to show robust growth.

## Monthly Trade Trend Analysis in Africa

India's total engineering exports to Africa for the month of September 2016 was USD 485 Million (Approx) constituting a share of approx 10% of the total engineering exports from India for September 2016 which stood at USD 5 billion. Africa's share in total Indian engineering exports to world in September 2016 decreased by 5% compared to 15% in August 2016. Though the engineering exports to world by India has increased in value by USD 0.3 billion but for Africa it has declined by approx USD 200 million. This can be due to the economic slump that the African continent is going through, especially slow growth of its major economies like South Africa, Nigeria etc.



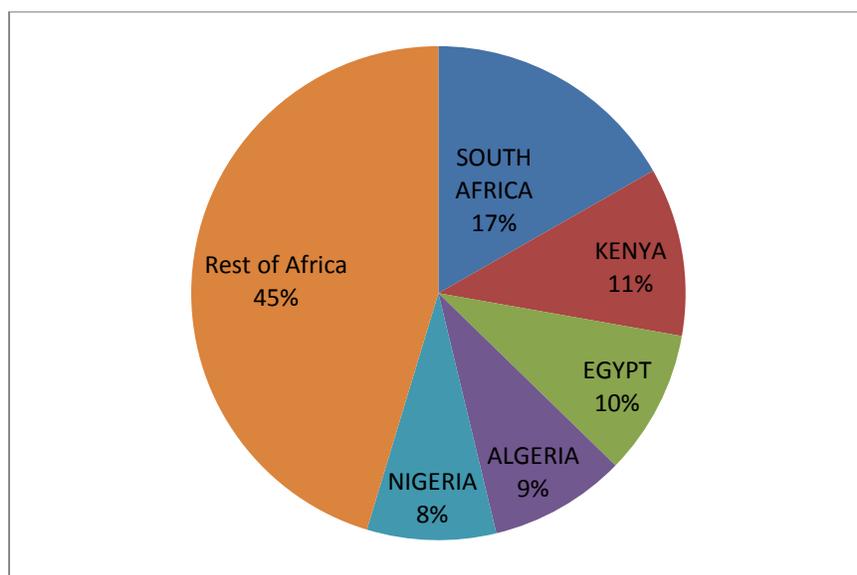
Source: DGCIS, Kolkata

The top 5 African nations which had the highest demand for Indian engineering products during September 2016 in absolute values include:

Country	Export in September 2016 (USD million)	Export in September 2015 (USD million)	Growth (%)
<b>SOUTH AFRICA</b>	81.13	103.53	<b>-21.64</b>
<b>KENYA</b>	53.43	55.25	<b>-3.29</b>
<b>EGYPT</b>	46.05	57.58	<b>-20.03</b>
<b>ALGERIA</b>	43.35	21.05	<b>106.00</b>
<b>NIGERIA</b>	40.88	86.63	<b>-52.81</b>

India's engineering exports to African countries shows approximately the same trend in September 2016 as compared to August 2016, except the new entrant Algeria and Ethiopia moving down the chart of top importers of Indian engineering exports. Algeria made a comeback in the top import destination in African continent, and with the only country to have realized positive growth of more than 100% among the top five. Rest of the four countries realized a negative growth rate.

On the basis of India's export data for Engineering Products of September 2016, the African countries which feature in the top export destinations for India include, South Africa, Nigeria etc. The figure below shows the share of top African country in Total Exports from India to Africa.



Source: DGCIS, Kolkata

Top 15 engineering panels exported to Africa in September 2016 include:

Name of the Panel	India's export in September 2016 (USD million)	India's Export in September 2015 (USD million)	Growth (%)
Motor Vehicle/cars	119.36	158.22	-24.56
Industrial Machinery	59.03	74.05	-20.29
Products of Iron & Steel	46.78	48.23	-3.00
Electric Machinery	44.77	34.84	28.51
Iron and Steel	33.14	47.23	-29.82
Auto Components/Part	27.65	23.93	15.53
Two and Three Wheelers	24.30	53.22	-54.35
Aluminum and products	21.91	22.59	-3.00
Medical and Scientific Instruments	16.52	12.49	32.25
Construction Machinery	10.88	15.84	-31.35
Air condition and Refrigerators	9.17	11.40	-19.59

Name of the Panel	India's export in September 2016 (USD million)	India's Export in September 2015 (USD million)	Growth (%)
Nuclear Reactors	8.05	7.74	3.96
IC Engines and Parts	8.00	8.31	-3.69
Bicycle & Parts	7.23	9.12	-20.67
Pumps of all types	5.68	7.26	-21.70

Source: DGCI&S, Government of India

## News in Focus

### Egyptian economic policy

The Egyptian government appears to be on the verge of further devaluing the pound. President met with the governor of the country's central bank Amer last week to give political cover to the move. Beltone Financial, an Egyptian investment bank, advised that the move is imminent. The devaluation and partial flotation would be part of a wider deal with the IMF to implement economic reforms in return for a much-needed \$12 billion loan to jump-start the economy.

Link: [https://www.brookings.edu/blog/markaz/2016/10/11/egyptian-economic-policy-see-no-evil-hear-no-evil/?utm\\_campaign=test-emails&utm\\_source=hs\\_email&utm\\_medium=email&utm\\_content=35874543](https://www.brookings.edu/blog/markaz/2016/10/11/egyptian-economic-policy-see-no-evil-hear-no-evil/?utm_campaign=test-emails&utm_source=hs_email&utm_medium=email&utm_content=35874543)

### India, Africa to boost collaborations in medical research

India and African nations have decided to take major steps to boost collaborations in joint medical research and work to harmonise regulatory frameworks to develop the pharmaceutical market in Africa. India and over 20 African nations, have agreed to take concrete steps to boost health and research collaborations, in light of the similar health challenges faced by both India and Africa, the collaboration is needed to take appropriate steps in the areas of joint biomedical research.

Link: <http://www.financialexpress.com/india-news/india-africa-to-boost-collaborations-in-medical-research/366457/>

## ECA launches monthly continental statistics bulletin “Africa Statistics Flash”

The Economic Commission for Africa (ECA) has launched its newest product, the [Africa Statistics Flash](#), which captures macro-economic and social data on the continent, giving member states and stakeholders an indication of where things stand in Africa on a monthly basis. ECA chief Carlos Lopes has long been a proponent for Africa to produce quality data as a means to ably measure the continent’s development and transformation in a credible manner.

Link: <http://www.uneca.org/stories/eca-launches-monthly-continental-statistics-bulletin-%E2%80%9Cafrica-statistics-flash%E2%80%9D>

## Africa is next centre for global economic growth, says Museveni

Ugandan President Yoweri Museveni has called for increased investment in Africa, calling it the next centre for the world’s economic growth. Mr Museveni described the economic situation in Africa as “very good” despite some bottlenecks while speaking at the third edition of the two-day Global African Investment Summit held in the Rwandan capital, Kigali.

Link: <http://www.nation.co.ke/news/africa/1066-3373016-format-xhtml-yu1cxhz/index.html>

### Some upcoming Exhibitions in Africa

Events	Date	Venue	Link
<b><u>EXPOTRANS</u></b> Logistics & Transport Trade Show	24th-27th November 2016	<b><u>Feira Internacional de Angola</u></b> , Luanda, Angola	<a href="http://www.expotrans.net/en-us/exhibitions/fiera-milano/">http://www.expotrans.net/en-us/exhibitions/fiera-milano/</a>
<b><u>AIRTECH</u></b> International Exhibition for Compressed Air Technology and Accessories	17th-20th November 2016	<b><u>Cairo International Convention &amp; Exhibition Centre</u></b> , Cairo , Egypt	<a href="http://www.airtech-expo.com/">http://www.airtech-expo.com/</a>
<b><u>MACTECH</u></b> Pan-Arab/African Exhibition for Machine and Hand Tools System, Components and Safety Equipment	17th-20th November 2016	<b><u>Cairo International Convention &amp; Exhibition Centre</u></b> , Cairo , Egypt	<a href="http://www.mactech.com.eg/">http://www.mactech.com.eg/</a>

Events	Date	Venue	Link
<a href="#"><u>ETHIOPIA TRADE EXPO</u></a> International Trade Exhibition on all kinds of General, FMCG, Consumer & Industrial products, Machinery & Equipments etc	3rd-7th November 2016	<a href="#"><u>Addis Ababa Exhibition Centre</u></a> , Addis Ababa , Ethiopia	<a href="http://www.eventseye.com/fairs/f-ethiopia-trade-expo-17709-1.html">http://www.eventseye.com/fairs/f-ethiopia-trade-expo-17709-1.html</a>
<a href="#"><u>TANZANIA TRADE SHOW</u></a> Tanzania Trade Show. TANZANIA TRADE SHOW features Automotive, IT & Electronics, Building & Construction, Medical & Pharmaceutical, Food & Hotel Supplies, Consumer & Household, Industrial & Machinery, Safety & Security, Packaging, Plastics & Rubber	25th-27th November 2016	<a href="#"><u>Mlimani Conference Centre</u></a> , Dar Es Salaam, Tanzania	<a href="http://www.growexh.com/tanzaniatradeshow/">http://www.growexh.com/tanzaniatradeshow/</a>

## Tender Information in Africa

### Prior information Notices

Title	Place	Deadline
<a href="#"><u>Supply Of Laboratory Equipment, Including Fluorometer And Consumables</u></a>	Togo	8th November 2016
<a href="#"><u>Supply Electrical Material And Fittings</u></a>	South Africa	11th November 2016
<a href="#"><u>Procurement Of Waterworks Equipment (assorted Pumps, Electric Motors &amp; Control Panels Related Items, Mixers And Transformers)</u></a>	Nigeria	11th November 2016
<a href="#"><u>Purchase Of Medical And Surgical Devices For The</u></a>	Morocco	8th November 2016

<u>Various Institutions Under The University Hospital</u> <u>Mohammed Vi-oujda</u>		
<u>Maintenance Of Kitchen Equipment At Boland Tvet College Caledon, Paarl, Stellenbosch And Worcester Campuses</u>	South Africa	4th November 2016
<u>Supply, Installation And Commissioning Of Various Fire Prevention Equipment At The Central Services Beac Yaounde</u>	Equatorial Guinea	17th November 2016
<u>Supply And Delivery Of Various Man-portable Artisan Toolboxes For 1 Construction Regiment</u>	South Africa	14th November 2016
<u>Supply Of Submersible Water Pump</u>	Libya	3rd November 2016

For more contract notices, Please register with Tender info and follow the link:

<http://www.tendersinfo.com/searchresult#>

**EEPC India Africa Territorial Newsletter**

Contact: Ms. Manila Sharma

Email: [msharma@eepcindia.net](mailto:msharma@eepcindia.net)

Phone no: 011-2331 4171