

Territorial NEWSLETTER Africa

EEPCINDIA
ENGINEERING THE FUTURE

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Issue XV: September 2016

Chairman's Pen



T S Bhasin

EEPC India works towards strengthening India's trade ties with other countries and regions. Africa is an important region for India as it has a long historical relations and EEPC India endeavors to make these relations even more strong. With SMEs being the focus, such endeavors by EEPC India have helped them to grow and expand by getting access to the African markets.

EEPC India keeps organizing events and exhibition and also assists government of India in building trade and investment relations between African countries. INDEE Kenya being organized in Nairobi from 09 to 11 November 2016 is part of such endeavors. I hope members would benefit from their participation in the exhibition.

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



Mahesh K. Desai

In this fifteenth edition of the 'Newsletter on Africa', we focus on the India-Namibia Joint Trade Committee Meeting held in September, 2016 in New Delhi. The meeting was held to discuss various issues between the two countries which also included trade and investment.

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 fifteenth edition of the 'Newsletter on Africa'. This edition focuses on the India-Namibia JTC held in New Delhi. The ministers of both the countries met to discuss how to grow the existing relations between the two nations.

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.

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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.

India-Namibia Joint Trade Committee Meeting, September 2016

The Third Session of the India-Namibia Joint Trade Committee was held in New Delhi, 07th September, 2016. The Indian delegation was led by Hon'ble Minister for State for Commerce and Industry (Independent Charge) Ms Nirmala Sitharaman. The Namibian delegation was led by the Hon'ble Deputy Minister, Ministry of Industrialization, Trade and SME Development, Mr Piet Van der Walt. During the meeting the close and cordial relations enjoyed by both the countries were highlighted. It was also recalled that during the visit of the President of India to Namibia in June 2016, the Indian and Namibian sides agreed inter-alia to convene the next meeting of the Joint Trade Committee at an early date. The Hon'ble Deputy Minister from Namibia stated that JTC is an ideal framework for trade and economic expansion between the two countries and expressed a strong desire to further deepen the trade relations.

During 2015, India was the seventh largest country from whom Namibia sourced its imports. JTC also discussed five rounds of India-Southern Africa Customs Union(SACU) Preferential Trade Agreement (PTA) negotiations that have been held so far. The fifth round of negotiations was held in New Delhi in October 2010. Conclusion of the PTA would create opportunities for increased trade flows. Indian side conveyed to the Namibian side that leather, Gems and Jewellery, food

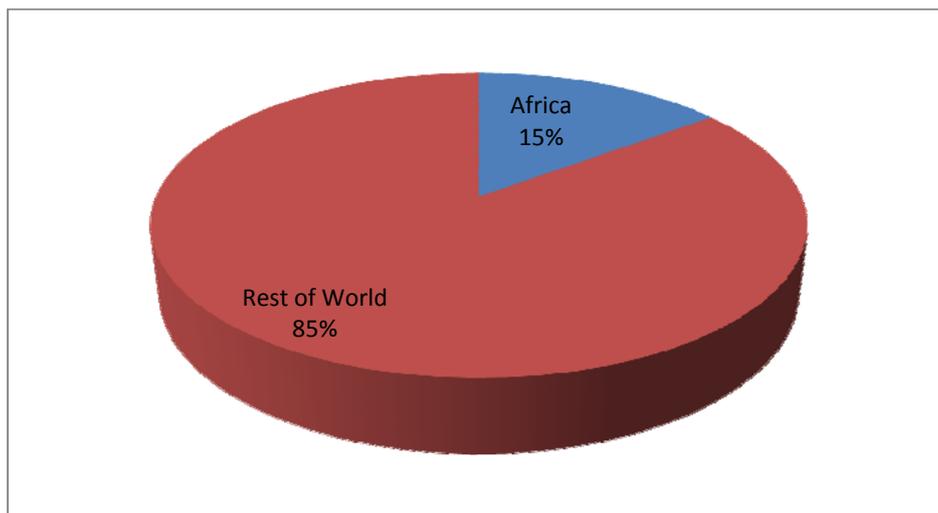
processing products and engineering goods like electrical and mechanical appliances are sectors that India can cooperate with Namibia to meet Namibia's requirements. Metals and mineral from Namibia was sought for the Indian requirement.

The Namibian side encouraged Joint Ventures and expressed interest in development of skills through training in the fields of Gems and jewellery to encourage local value addition and employment opportunity in Namibia. Namibia also expressed willingness to utilize \$100 million of line of Credit for them. Water management related infrastructure development was also discussed in the meeting. India offered to share its experience with Namibia and assured the Namibian side of its fullest cooperation in this field. Co-operation between both the countries in hydro-electric projects and solar projects and water resource management were important items in the agenda. Co-operation in development of Micro, small and medium enterprises also found a prominent place in the discussions. The Indian side also communicated the willingness of the National Industries Corporation Limited to set up one vocational training centre -cum-incubation centre in Namibia on mutually agreed terms and conditions. Cooperation in the fields of tourism was also discussed. It was decided that an agreement would be facilitated wherein joint training, development of tourist destinations, enhancement of people to people interaction etc would also be undertaken. Namibia also expressed need for technology transfer.

The discussion concluded in a warm and cordial atmosphere reflecting the friendly relations between the two countries. The meeting concluded with the signing of the mutually agreed document.

Monthly Trade Trend Analysis in Africa

India's total engineering exports to Africa for the month of August 2016 was USD 688 Million (Approx) constituting a share of about 15% of the total engineering exports from India for August 2016 which stood at USD 4.7 billion. Africa's share in total Indian engineering exports to world in August 2016 increased by 4% as compared to 11% in July 2016.



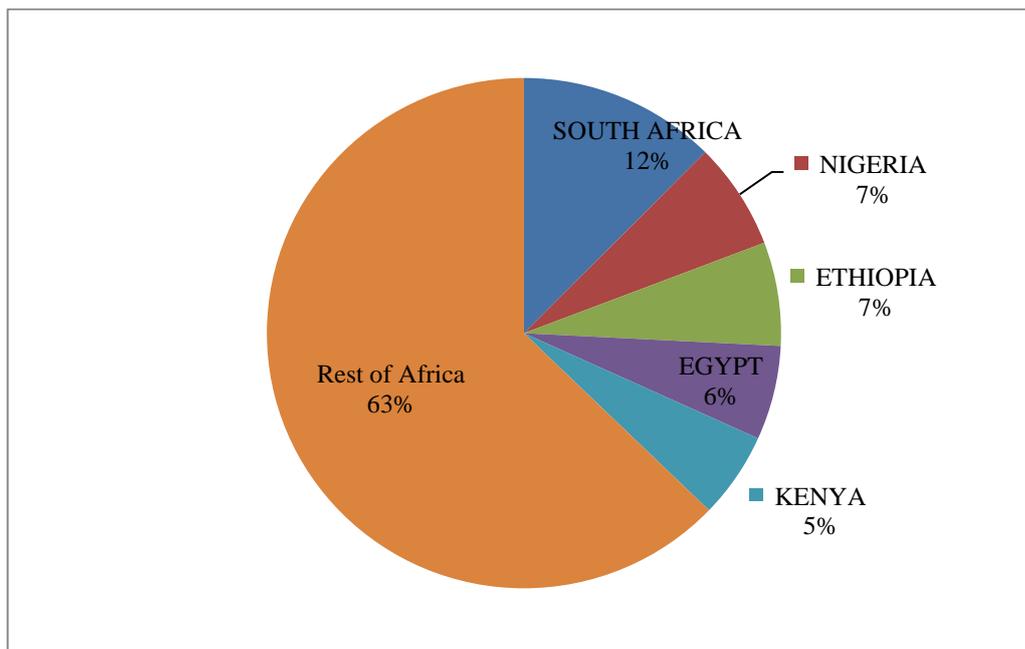
Source: DGCIS, Kolkata

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

Country	Export in August 2016 (USD million)	Export in August 2015 (USD million)	Growth (%)
SOUTH AFRICA	85.69	101.23	-15.35
NIGERIA	46.60	71.01	-34.38
ETHIOPIA	45.25	30.27	49.52
EGYPT	41.08	57.12	-28.09
KENYA	37.43	56.62	-33.89

India's engineering exports to African countries shows similar trend in August 2016 vis-à-vis July 2016, except the two new entries of Ethiopia and Kenya. Ethiopia made a comeback in the top import destination in African continent, and with the only country to have realized positive growth among the top five. Rest of the four countries even Kenya, the new entrant, realized a negative growth rate.

On the basis of India's export data for Engineering Products of August 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 August 2016 include:

Name of the Panel	India's export in August 2016 (USD million)	India's Export in August 2015 (USD million)	Growth (%)
Motor Vehicle/cars	112.54	155.46	-27.61
Products of Iron and Steel	82.34	102.22	-19.45
Iron and Steel	77.06	85.86	-10.25
Industrial Machinery	66.85	77.74	-14.02
Electric Machinery	52.94	48.79	8.51
Auto Components/Part	45.68	34.23	33.43
Two and Three Wheelers	28.76	44.04	-34.71
Aluminum and products	25.93	23.20	11.75
Copper and products	23.47	46.02	-48.99
IC Engines and Parts	18.59	9.93	87.10
Ships Boats and Floating Structures	15.43	0.02	82092.45

Name of the Panel	India's export in August 2016 (USD million)	India's Export in August 2015 (USD million)	Growth (%)
Construction Machinery	15.14	23.96	-36.82
Air condition and Refrigerator	14.29	15.70	-8.94
Machinery for ATMs	14.18	19.42	-26.99
Medical and Scientific Instruments	13.21	13.57	-2.68

Source: DGCI&S, Government of India

News in Focus

Africans Investing in Africa: New Engine of Africa's Growth

Rising disposable incomes, a young and talented population, growing urbanization, and an increasingly robust business climate have all combined to produce an emerging middle-class that is poised to drive consumption, innovation, industrialization and trade. Global investor confidence in Africa is higher than it has ever been.

Link: <http://www.frontpageafricaonline.com/index.php/op-ed/1699-africans-investing-in-africa-new-engine-of-africa-s-growth>

McLaren Automotive sees Mid-East, Africa H1 sales jump by 70%

McLaren Automotive has increased its sales in the Middle East and Africa region, from the same number of retailers in the regional network, by 70 percent for the first half of 2016.

The Bahrain-backed manufacturer of luxury handcrafted sports and supercars said the performance is a result of the introduction of a broader range of models offered, specifically within its Sports Series, which includes the 570S Coupé, voted the Middle East Car of the Year Awards 2016 'Best Performance Coupe'. The company said there was also a continued focus by McLaren retail partners to meet customer expectations.

Link: http://www.arabianbusiness.com/mclaren-automotive-sees-mideast-africa-h1-sales-jump-by-70--641414.html#.V_c-MvIEmM9

South Africa regains Africa's 'biggest economy' title from Nigeria

South Africa has regained the title of Africa's largest economy, two years after Nigeria rebased its GDP to claim the spot, according to IMF data. A recalculation using current exchange rates put South Africa on top because the rand has strengthened against the dollar.

Nigeria's currency has fallen sharply since a peg to the dollar was dropped.

Link: <http://www.bbc.com/news/world-africa-37045276>

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