

Territorial NEWSLETTER Africa

EEPCINDIA
ENGINEERING THE FUTURE

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Chairman's Pen



**Tarvinder Singh
Bhasin**

Resource rich African continent is emerging as a global attraction for all the major powers. As Africa's economic growth gathers momentum India's interests are getting increasingly influenced by its desire to deepen trade and economic cooperation with African countries. Trade data show that India's trade with the African continent has significantly increased over the years. Also Africa provides a lot of space for Indian investment. More particularly, India has turned its focus on the western region of the continent and has placed great emphasis on strengthening trade and investment relations with Ghana and Senegal, among others.

I believe this upswing in trade and cooperation would continue and benefit people in both the regions. I also hope, our readers find this Newsletter useful.

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



Mahesh Desai

This edition of Territorial Newsletter highlights India's increasing trade focus towards the Western region of the continent. The West Africa has been an area which is gaining importance in the field of trade with India. In the region, two countries, Ghana and Senegal have been primarily focused on by India in the sector of trade and investment.

The newsletter also presents a brief analysis of trade pattern in engineering products between India and Africa during August 2017.

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



Aakash Shah

Exports to the African continent witnessed a moderate increase for the month of August 2017 compared to August 2016. Engineering exports from India to Africa achieved a positive growth of 0.3% in August 2017 over August 2016. Interestingly, engineering export to South Africa, the top importing destination for Indian engineering exports continued to reflect impressive growth of over 34% for the month of August 2017 over August 2016.

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

Area: 11,668,599 Sq. km

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, petrol eum and cocoa beans, woods and tropical fruits. Much of its natural resources are undiscovered or barely harnessed.



India paying increasing attention to its trade relations with Ghana and Senegal

India's has been promoting bilateral ties with the African nations and has also taken steps to achieve this goal. In the recent the government of India shifted its focus to the Western region of Africa and aimed to promote the India's economic cooperation with regional block of African countries. In this regard the government of India organized an event called Namaskar Africa 2017 on August 16-17, 2017 at Ghana International Trade Fair Centre, Accra.

The event is expected to promote trade and project exports between the countries, position brand India as a leading economic player in the West African region, facilitate Indian investments into the region, and create awareness about the best technologies and products that India has to offer. It provided opportunities to Indian participants offered by the West African region. The sectors in focus were agriculture and food processing, automobile, healthcare and pharmaceuticals, education, energy, infrastructure and construction, and textiles and clothing.

Ghana a major attraction in West Africa for Indian Industry

India figures in the top 5 import destination for Ghana, and imports from Ghana are increasing, leading to negative trade balance for India. Ghana has also been preparing to implement the ECOWAS Common External Tariff (CET), a platform for a Customs Union that facilitates free trade and greater regional economic

integration. The West African country can alone contribute towards energy and food security of India. The leaders of both the countries during the recent visits emphasized upon the need to leverage their economic interactions to \$5 billion by 2020.

India's commitment towards deepening trade relations with Ghana can be seen from the increase in trade and strengthening of economic ties. The total volume of trade between the two nations hits \$3,604 million, last year. India's exports to Ghana stood at \$623 million, with that of its imports from the West African nation coming to \$2,981 million, during the period.

There is a growing demand in India for cotton, scrap metal, cashew nuts, cocoa beans, spices, artifacts and oil seeds from Ghana as it exports semi-finished iron and steel, machinery, pharmaceuticals, plastic products, sugar and rice to the country. The development between the nations is good and needs to be sustained for the mutual benefits after six decades of warm relations.

The Indian government is confident that more Indian businesses would take advantage of the business-friendly environment to invest in Ghana to grow the economy.

Indian MoS, visits Senegal as Special Envoy of Indian Prime Minister

Senegal is another county in the West Africa region which is the focus of Indian government. Recently, the Indian Minister of State met the Senegalese President Mr. Macky Sall and discussed various aspects of the India-Senegal bilateral relations.

He talked about "New India's Transformation" to the Senegalese businessmen at the Dakar Chamber of Commerce, Industry and Agriculture (CCIAD). He encouraged the business community of the African country to increase its investment and trade with India. He also talked about India's synergies with Africa.

Country	2015	2016	Growth	Share in Total West Africa	
	(US\$ Mn)	(US\$ Mn)		2015	2016
Senegal					
Export	76.6	201.1	162.53	4.03	12.28
Import	32.8	22.9	-30.18	7.31	7.58
Total Trade	109.4	224	104.75	4.65	11.55
Ghana					
Export	232.6	262.1	12.68	12.22	16.00
Import	28.9	26.5	-8.30	6.44	8.77
Total Trade	261.5	288.6	10.36	11.12	14.88
West Africa					
Export	1903.1	1637.9	-13.94		
Import	448.7	302.1	-32.67		
Total Trade	2351.8	1940	-17.51		

Source: Trademap

India's latest trend in engineering exports to Africa

India engineering export to countries in the African continent during August 2017 is depicted in the table below. Countries with the highest demand for Indian engineering products during August 2017 in absolute values include:

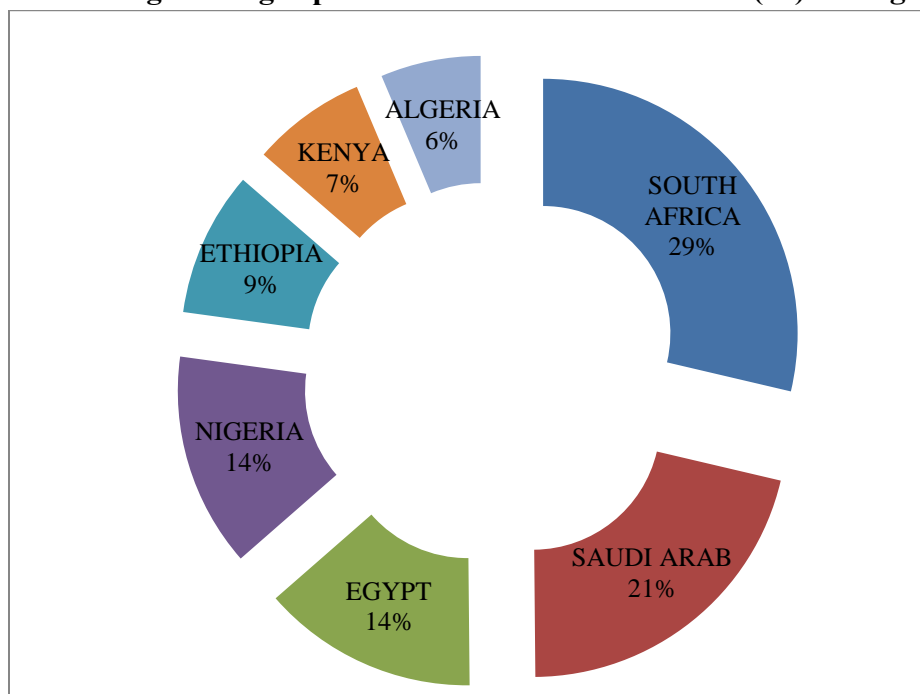
Table 1: Engineering Exports to Africa (USD million)

Africa	August 2017 (USD million)	August 2016 (USD million)	Growth (%)
South Africa	85.69	114.78	33.95
Saudi Arab	111.22	84.81	-23.75
Egypt	41.06	54.91	33.74
Nigeria	46.62	54.45	16.81
Ethiopia	45.25	36.85	-18.57
Total Africa	580.70	582.18	0.26

Source: DGCI&S

South Africa remains the top importer for Indian engineering exports in August 2017 as in August 2016 with a continued high and positive growth rate of nearly 34%. 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 August 2017. (Fig 1)

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



Source: DGCI&S

Among top 15 panels, engineering exports from India decreased in case of six panels, nine panels recorded positive growth (Table 2).

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

DGCI&S Engineering Panels	India's export in August 2017	India's export in August 2016	Growth (%)
Motor Vehicle/cars	132.90	153.21	15.27
Industrial Machinery	59.86	67.12	12.14
Iron and Steel	57.36	66.02	15.09
Products of Iron & Steel	64.78	51.44	-20.59
Electric Machinery	40.89	33.80	-17.34
Auto Components/Part	39.60	30.91	-21.94
Two and Three Wheelers	26.23	28.55	8.82
Machinery for ATMs	14.08	18.35	30.35
Air condition and Refrigerators & parts	12.99	16.28	25.32
Medical and Scientific Instruments	11.95	15.36	28.55
Construction Machinery	11.26	15.08	33.93
Aluminum and products	26.27	13.98	-46.79
Pumps of all types	9.10	11.02	21.17
IC Engines and Parts	10.97	8.30	-24.33
Bicycle & Parts	7.87	6.65	-15.46

Source: DGCI&S

Table 3: Country wise and product wise India's engineering exports to Africa in August 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

➤ **Africa's two biggest economies likely out of recession**

Africa's two biggest economies likely emerged from recession in the second quarter but strong growth won't show up until business confidence is restored. Nigeria and South Africa have both benefited from a recovery in commodity prices since early 2016, though not as much as their main trading partners - China, the United States and the euro zone.

Source: <https://af.reuters.com/article/africaTech/idAFKCN1BC58Z-OZABS>

➤ **Iran urges stronger ties with South Africa**

Iranian senior officials called for enhancing comprehensive ties with South Africa. Iranian President Hassan Rouhani described the relations between the two countries as cordial and growing. Rouhani stressed the Iran's support for South Africa's past anti-apartheid struggle led by Nelson Mandela, and hailed the development of the mutual ties after the 1979 Islamic Revolution.

Source: http://news.xinhuanet.com/english/2017-09/03/c_136577692.htm

➤ **Japan at the forefront of assistance to Africa**

Japanese assistance to Africa dates back to the 1950s, and has intensified since the establishment of TICAD, 24 years ago. The Tokyo International Conference on African Development is aimed at improving development on the continent. The model of Japanese cooperation in Africa is very important. It is almost unique in the world, focusing on shared technology, teaching, and support – the goal is to deliver not just performance but also autonomy in the long term.

Source: <http://www.euronews.com/2017/08/31/japan-at-the-forefront-of-assistance-to-africa>

➤ **Africa has great investment potential, Zuma tells Brics forum**

Trade between the emerging markets Brazil, Russia, India and South Africa (BRICS) has increased but has been highly inequitable, President Jacob Zuma told the Brics Business Forum. Zuma and eight cabinet ministers travelled to the Xiamen, China to attend the 9th BRICS Summit in Xiamen. He called on the Brics' partners to collaborate with South Africa to decrease the reliance on raw material exports. "Exports have been driven particularly by raw materials. This dominance has adversely impacted South Africa."

Source: <https://www.iol.co.za/news/politics/africa-has-great-investment-potential-zuma-tells-brics-forum-11060753>

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
ERA	23rd- 25th October, 2017	Oran, Algeria	http://www.eventseye.com/fairs/f-era-15801-1.html
Pack 2 Pack Egypt	24th- 26th October, 2017	Cairo, Egypt	http://www.pack2packexpo.com/
African Air Expo	24th- 26th October, 2017	Accra, Ghana	http://www.africanairshow.com/
Screen Print East Africa	29th- 31st October, 2017	Nairobi, Kenya	http://www.screenprinteastfrica.com/

Abuja International Motor Fair	25th October- 1st November, 2017	Abuja, Nigeria	http://www.eventseye.com/fairs/f-abuja-international-motor-fair-13430-1.html
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Tender information in Africa

Table 6: Tender related information

Title	Deadline	Country	Link
Mechanical And Functionality Assessment Of The Tractor Fleet And Equipment (TI Ref ID: 42488989)	13 October 2017	South Africa	http://alliances.tendersinfo.com/eepc/awlog.php?action=details&id=42488989
Supply Of Motor-vehicle Tyres, Tubes, Batteries And Spare Parts (TI Ref ID: 42418127)Acquisition Of Two Tractors (TI Ref ID: 41839409)	13 October 2017	Kenya	http://alliances.tendersinfo.com/eepc/awlog.php?action=details&id=42418127
Supply And Installation Of 20 Elevators (TI Ref ID: 42513225)	22 October 2017	Egypt	http://alliances.tendersinfo.com/eepc/awlog.php?action=details&id=42513225
Supply Of A Batch Of Conveyor Belts For The Hadjar Soud Cement Company. (TI Ref ID: 42440189)	20 October 2017	Algeria	http://alliances.tendersinfo.com/eepc/awlog.php?action=details&id=42440189
Purchase Of Spare Parts For Dairy Processing Line (TI Ref ID: 36807298)	20 October 2017	Uganda	http://alliances.tendersinfo.com/eepc/awlog.php?action=details&id=36807298
Supply, Installation, Testing And Commissioning Of Air Conditioners (TI Ref ID: 42510056)	17 October 2017	Rwanda	http://alliances.tendersinfo.com/eepc/awlog.php?action=details&id=42510056
Supply Of Grinding Machines In Kazaure Federal Constituency, Jigawa State (TI Ref ID: 42398554)	30 October 2017	Nigeria	http://alliances.tendersinfo.com/eepc/awlog.php?action=details&id=42398554

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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