

# INDIA-AFRICA PARTNERSHIP – INTERNATIONAL RELATION

India, Africa should look at doubling bilateral trade by 2030 – Piyush Goyal. At the recent CII Conclave, India and Africa committed to doubling their bilateral trade by 2030. This will be achieved by shifting from simple commodity trade to deeper collaboration in industry, technology, and services for mutual development.

## Vision for India-Africa Partnership – Doubling Trade by 2030

At the 20th Confederation of Indian Industry (CII) India-Africa Business Conclave, a clear and ambitious goal was set – to double the bilateral trade between India and African nations by the year 2030. This vision is built on a foundation of shifting from traditional trade to a more integrated industrial and technological partnership.

### Key Takeaways from the Conclave

The conclave outlined a strategic shift in the economic relationship, moving towards a more collaborative and sustainable model.

**Primary Focus Areas** – The partnership will concentrate on four key pillars –

1. **Value Addition** – Creating finished goods from raw materials within Africa to boost local economies.
2. **Technology-Driven Agriculture** – Modernizing farming practices to ensure food security and increase productivity.
3. **Renewable Energy** – Collaborating on green energy projects to meet climate goals.
4. **Healthcare** – Improving access to affordable and quality medical care.
5. **Industrial Collaboration over Commodity Trade** – The core message was the need to evolve beyond a simple buyer-seller relationship of raw materials. The future lies in joint industrial projects, where Indian expertise and investment can help African nations process their own resources, creating more value and jobs locally.

**India as a Service Powerhouse** – India is positioned as a cost-competitive and high-quality partner in the services sector. African nations can leverage Indian expertise in critical fields like engineering, Information Technology (IT), Artificial Intelligence (AI), and architecture to build modern infrastructure and digital economies.

**Africa as a Resource Partner** – Africa is recognized as a vital and reliable source of resources crucial for India's growth. This includes critical minerals for technology and green energy, conventional energy sources like oil and gas, and various agricultural commodities.

**Shared Development Goals** – The partnership is not just about economic numbers but about mutual, long-term prosperity. Key objectives include generating employment for the youth in both regions, reducing regional economic imbalances, and collectively advancing green growth to combat climate change.

### Present Status of the India-Africa Partnership

The current trade relationship provides a strong base for future growth, but also reveals significant untapped potential.

**Balanced Bilateral Trade** – The economic exchange is fairly balanced, preventing a dependency scenario for either side. In the last fiscal year, India's exports to Africa stood at \$42.7 billion, while imports from Africa were approximately \$40 billion.

**Untapped Opportunities in Africa's Import Profile** – A closer look at what African nations import reveals massive opportunities for India. For example, the African continent imports \$20 billion worth of automobiles annually, but India's contribution is only \$2 billion. This 10% market share highlights a vast potential for Indian auto manufacturers to expand their presence.

**Exploring Complementarities over Competition** – The relationship is viewed as synergistic. The economic needs and strengths of India and Africa complement each other, creating a "win-win" situation where both can grow together rather than competing for the same resources or markets.

## Priority Sectors for Enhanced Partnership

Specific sectors have been identified where collaboration can yield the most significant mutual benefits.

**Agriculture and Food Security** – India offers its successful models in cooperatives and self-help groups, advanced agricultural technology, and expertise in crop diversification. In return, Africa can be a key supplier of critical minerals and petroleum products, while India can help meet Africa's demand for fertilizers and processed food products.

**Industry and Manufacturing** – The automobile sector is a prime area for expansion, including passenger and commercial vehicles, two- and three-wheelers, and affordable Electric Vehicle (EV) solutions. The goal is to help African nations shift from merely exporting raw materials to establishing value-added production facilities that can manufacture goods for global markets.

**Healthcare and Pharmaceuticals** – India, known as the "pharmacy of the world," can supply affordable generic medicines, vaccines, and medical equipment. The potential for medical tourism, where African citizens travel to India for cost-effective, high-quality treatment, is also a key area of growth. The COVID-19 pandemic solidified India's reputation as a trusted supplier of medical essentials.

**Renewable Energy and Critical Minerals** – Joint ventures in solar energy, wind power, and battery technologies are crucial for a sustainable future. Africa's vast reserves of minerals like cobalt and lithium are essential for India's ambitious green transition and the manufacturing of batteries for electric vehicles and energy storage.

**Digital and Financial Systems** – The adoption of India's Unified Payments Interface (UPI) across Africa can revolutionize its financial landscape by reducing transaction costs and enhancing financial inclusion. There are immense opportunities for Indian companies in Africa's growing IT, AI, telecom, and fintech sectors.

**Human Capital and Knowledge Sharing** – Collaboration in education, skill development, start-up ecosystems, and Research & Development (R&D) is vital. Youth partnerships and knowledge exchange programs aim to create a future-ready workforce capable of driving innovation and economic growth in both India and Africa.

## Overarching Strategic Significance

The India-Africa relationship extends beyond economics and holds deep strategic importance for both partners and the world.

**Demographic Strength** – Together, India and Africa are home to over 2 billion people, representing one-third of the global population. This demographic dividend presents a massive market and a powerful human resource base.

**Historical Bonds** – The partnership is rooted in deep historical ties, forged during shared struggles against colonialism and further strengthened by Mahatma Gandhi's formative years in South Africa.

**Global South Leadership** – As two of the largest voices from the Global South, India and Africa have a shared responsibility to champion the interests of developing nations at global forums like the World Trade Organization (WTO) and the United Nations (UN).

**Converging Aspirations** – The partnership is aligned with long-term national goals. India's vision of becoming a developed nation by 2047 (Viksit Bharat 2047) and Africa's own continental prosperity goals are mutually reinforcing, creating a shared path toward a prosperous future.

**Source** – <https://www.thehindu.com/business/india-africa-should-look-at-doubling-bilateral-trade-by-2030-piyush-goyal/article69988865.ece>