

Africa key for India, trade has doubled in 5 years: Narendra Modi

Narendra Modi pitches for Asia-Africa growth corridor, says India working with the US and Japan to support African development



Pushing for a growth corridor between Africa and Asia, PM Modi said the project was discussed during his recent trip to Japan. Photo: Bloomberg

Gandhinagar: Prime Minister Narendra Modi on Tuesday said his government has made Africa a top priority for foreign and economic policy, while recalling India's long-standing relationship with the continent.

Pitching for an Asia-Africa growth corridor, Modi said trade between Africa and India had multiplied in the last 15 years.

"It has doubled in the last five years to reach nearly \$72 billion in 2014-15. India's commodity trade with Africa in 2015-16 was higher than our commodity trade with the United States of America," Modi said at the opening of the Annual Meetings of the African Development Bank (AfDB) Group.

The event in Gandhinagar was attended by AfDB president Akinwumi Adesina, Gujarat chief minister Vijay Rupani and Union finance minister Arun Jaitley among others. India, Modi said, is working with the US and Japan to support African development. Delegates from more than 50 African countries are attending the event.

"As one plank of this cooperation, India extends lines of credit through India's Exim Bank. 152 credits have been extended to 44 countries for a total amount of nearly \$8 billion. During the Third India-Africa Forum Summit, India offered \$10 billion for development projects over the next five years. We also offered grant assistance of \$600 million," Modi said. He also recalled the third India Africa Summit in 2015 in New Delhi, attended by delegates from all 54 African countries.

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India's private sector has been at the forefront of Africa-India ties, and from 1996 to 2016, nearly a fifth of Indian overseas direct investments went to Africa. Modi said India is the fifth largest country investing in Africa, with investments over the past 20 years amounting to \$54 billion.

He also acknowledged the support of African countries to the International Solar Alliance, launched by Modi and former French president Francois Hollande at the UN Climate conference in Paris in November 2015.

The prime minister also pointed to India's attempts in direct subsidy payments and the campaign to persuade cooking gas users to give up subsidies. Two crucial factors behind India's growth were universal banking and universal biometric identification, he added.

"We have made unprecedented increases in capital investment in infrastructure, covering railways, highways, power, and gas pipelines. By next year, no village in India will be without electricity. Our Clean Ganga, Renewable Energy, Digital India, Smart Cities, Housing for All and Skill India missions are preparing us for a cleaner, more prosperous, faster growing and modern new India. Our aim is that India must be an engine of growth as well as an example in climate friendly development in the years to come," Modi said.

Modi also credited the Pradhan Mantri Jan Dhan Yojana for bringing bank accounts to "virtually every Indian family" and said biometric identification has helped plug leakages in government payments.

Finance minister Jaitley said the 'High 5 Strategy' adopted by AfDB has similar priorities and policies as that of the Indian government for creating sustainable socio-economic development. He said the 21st century will belong not only to Asia but also Africa -- which is why India and Africa should navigate the journey together to shape their future.