



New Pathways in India-Africa Collaborations

This editorial is based on "[Africa can make India's 'critical mineral mission' shine](#)" which was published in The Hindu on 06/09/2024. The article highlights Africa's critical importance to India's strategic interests, particularly in securing critical minerals for its supply chain. It emphasizes India's deep-rooted ties with Africa while addressing challenges from China's dominance and Africa's focus on value addition and industrialization.

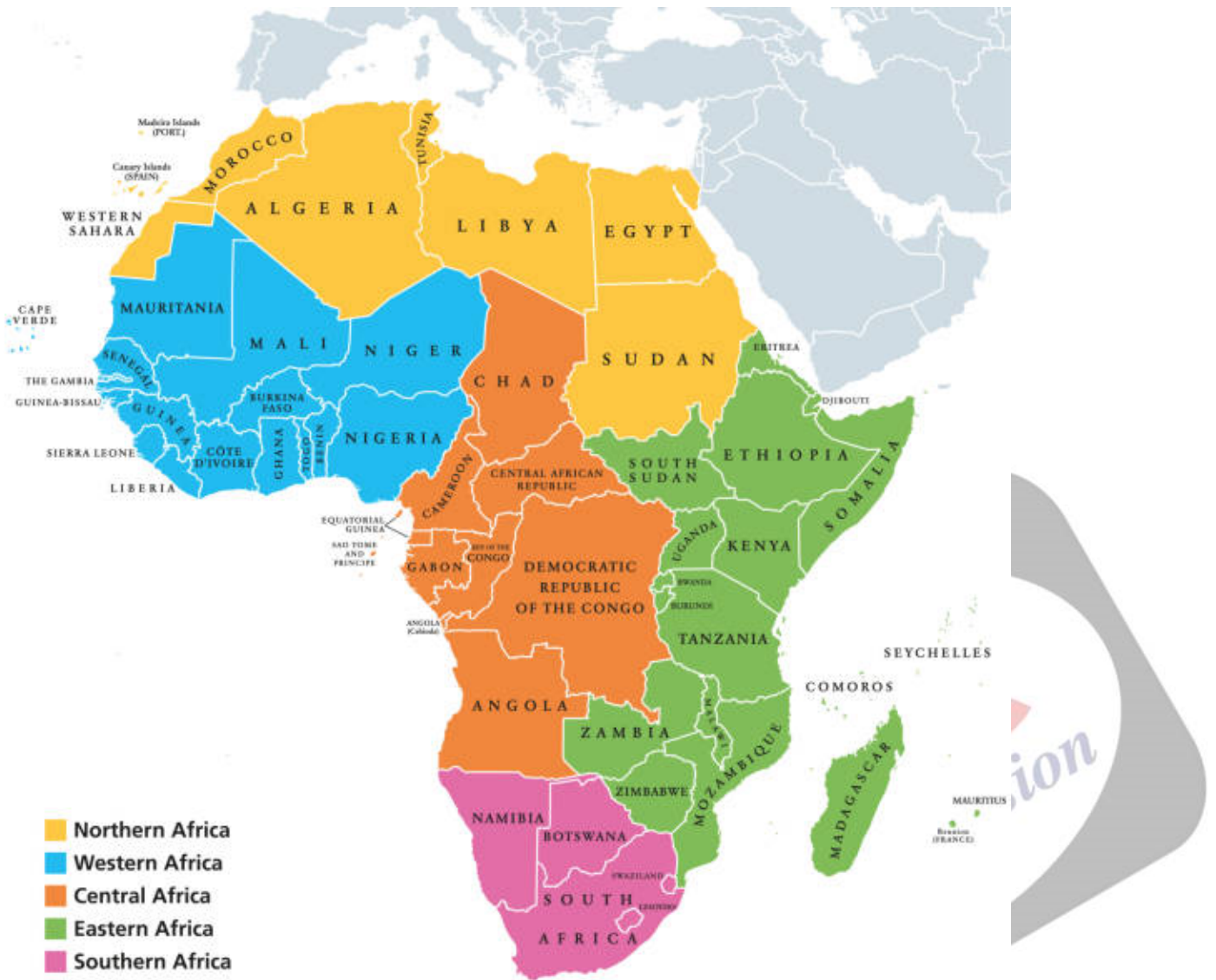
For Prelims: [Africa](#), [Critical mineral](#), [African Continental Free Trade Area](#), [African Union](#), [India's 2023 G20 Presidency](#), [International Solar Alliance](#), [Indian Ocean Region](#), [India-Mozambique-Tanzania Trilateral Exercise](#), [Rare earth elements](#)

For Mains: Significance of Africa for India, Key Areas of Friction Between India and Africa.

[Africa](#), often described as the "**land of the future**," holds immense importance for **India's strategic and economic interests**, particularly in the realm of critical minerals. Housing **30% of the world's known critical mineral reserves**, the continent presents a crucial opportunity for India to secure its supply chain. India's deep-rooted political, economic, and historic connections with Africa, bolstered by a three-million-strong diaspora and **USD 75 billion in investments**, provide a solid foundation for enhancing cooperation in this sector.

However, India faces significant challenges in leveraging this potential. **China's established control over the critical minerals value chain in Africa** poses economic and security risks. Moreover, African nations are actively implementing policies to move beyond the '**pit-to-port**' model, focusing on value addition and minerals-based industrialization. By aligning its Critical Minerals Mission with African priorities for value addition and responsible practices, India can forge mutually **beneficial partnerships while supporting Africa's developmental agenda and securing its own supply chain**.

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What is the Significance of Africa for India?

- **Economic Powerhouse:** Africa's economic potential presents significant opportunities for Indian businesses and investors.
 - With a projected **GDP growth of 4% in 2023** and **4.3% in 2024**, the continent is becoming an increasingly attractive market.
 - India-Africa bilateral trade reached **USD 98 billion in 2022-23**, with **USD 43 billion** attributed to the mining and mineral sectors.
 - The [African Continental Free Trade Area \(AfCFTA\)](#), operational since 2021, creates a single market of 1.3 billion people, offering immense potential for Indian exports and investments.
 - Africa's population is projected to **reach 2.5 billion by 2050**, presenting a significant market for Indian goods and services.
- **Geopolitical Ally:** Africa's 54 nations represent a significant bloc in international forums, making the continent a crucial geopolitical ally for India.
 - **India's support for African representation in the UN Security Council** and other global bodies demonstrates its commitment to a more equitable world order.
 - The [African Union \(AU\)](#) has been made a permanent member of the **G20 during India's 2023 G20 Presidency**.
 - As global power dynamics shift, a strong India-Africa partnership can help balance other influential players in the region, particularly **China**.
- **Energy Security:** Africa plays a vital role in India's energy security strategy by offering diverse energy resources.

- **India currently sources about 15% of its oil demand** (approximately 34 million tonnes) from Africa.
 - Countries like **Nigeria and Angola** are key oil suppliers to India.
- Also, Africa's vast mineral reserves, particularly critical minerals, are crucial for India's energy transition and technological advancement.
- The [International Solar Alliance](#), spearheaded by India, has earmarked **USD 2 billion for solar projects in Africa**.
 - This energy partnership not only secures India's energy needs but also supports Africa's electrification goals, **creating a win-win situation**.
- **Maritime Security:** Africa's eastern coast is crucial for India's maritime security interests in the [Indian Ocean Region \(IOR\)](#).
 - India has signed defense agreements with several African nations, including **Mozambique and Madagascar**.
 - The **Indian Navy's anti-piracy operations off the coast of Somalia** since 2008 have protected not just Indian but global maritime trade.
 - In 2022, the first edition of [India-Mozambique-Tanzania Trilateral Exercise \(IMT TRILAT\)](#), a joint maritime exercise among the Indian, Mozambique and Tanzanian navies was held.
- **Diaspora Dynamics:** The **3 million-strong Indian diaspora in Africa** serves as a bridge between the two regions.
 - Historically, Indian-origin communities have played significant roles in African economies.
 - India is leveraging this connection through initiatives like the **Pravasi Bharatiya Divas**, which in 2019 focused on the Indian diaspora in Africa, aiming to strengthen economic and cultural ties.

What Role can Africa Play in India's Critical Minerals Need?

- **Lithium Lifeline:** Africa's vast lithium reserves, particularly in countries like **Zimbabwe, Namibia, and Ghana**, are crucial for India's electric vehicle (EV) ambitions.
 - Zimbabwe is the sixth-largest producer of lithium.
 - With India aiming for **30% EV penetration by 2030**, securing African lithium could be game-changing.
 - For instance, if India could secure even 5% of Zimbabwe's estimated lithium reserves, **it could potentially power over 500,000 electric cars**.
- **Rare Earth Elements:** Africa hosts significant deposits of [rare earth elements \(REEs\)](#), crucial for high-tech industries.
 - Countries like **South Africa, Malawi, and Kenya** have untapped REE potential.
 - India's REE imports are expected to rise with increasing demand in electronics and defense sectors.
 - For example, **one F-35 fighter jet requires 417kg of REEs**.
- **Platinum Group Metals:** South Africa holds over **90% of the world's platinum reserves** and is a major producer of other platinum group metals (PGMs) like palladium and rhodium.
 - These metals are essential for **catalytic converters and fuel cells**.
 - With India pushing for hydrogen fuel cell vehicles, securing PGM supplies from Africa is crucial.
- **Copper Conduit:** African nations like **Zambia and the DRC** are major copper producers. India's copper demand is expected to be **1.433 million tonnes by 2026**, driven by renewable energy and EV sectors.
 - Securing African copper could be vital for India's ambitious renewable energy target of 500 GW by 2030.
- **Graphite Goldmine:** Madagascar and Mozambique are established flake and powder graphite producers, **essential for EV batteries and energy storage systems**.
 - A typical **EV battery requires about 50-100 kg of graphite**.
 - Partnerships with African nations could help India achieve its goal of **50% cumulative electric power installed capacity** from non-fossil fuel-based energy resources by 2030

What are the Key Areas of Friction Between India and Africa?

- **Investment Inertia:** Despite India's growing economic engagement with Africa, Indian investments on the continent lag behind those of China and Western countries.
 - Indian companies often struggle with **risk perception, lack of local market knowledge,** and competition from established players.
 - For instance, in 2020, **ArcelorMittal**, an Indian-owned company, exited a **USD 2.2 billion iron ore project in Senegal** due to various challenges.
 - This investment gap limits India's economic footprint and influence in Africa.
- **Perception Issues of Indian Products** There's a persistent perception in some African markets that Indian products are of inferior quality compared to Western or Chinese alternatives.
 - This issue affects various sectors, **from pharmaceuticals to machinery.**
 - **Tainted syrup medicine** imported from India was the cause of an outbreak of **kidney failure** that killed more than 60 children in the **West African nation of Gambia in 2022.**
 - These incidents, though not representative of all Indian products, **damage India's reputation and market share in Africa.**
- **Diplomatic Dilemma:** India's engagement with Africa has been criticized for **being too focused on East and Southern Africa**, neglecting other regions.
 - This imbalance is reflected in trade figures: India's exports to South Africa alone stood at **USD 8.47 billion in 2022-23.**
 - West African countries, **despite their economic potential,** receive comparatively less attention.
 - This uneven engagement can lead to **missed opportunities and perceptions of neglect in certain African regions.**
- **Project Execution Predicament:** India's development projects in Africa have often faced delays and implementation challenges.
 - The **Rivatex textile factory** revival project in Kenya, funded by India, faced significant delays.
 - These issues can erode trust and make African countries hesitant to engage in future projects with India, especially when compared to the often faster **(though sometimes criticized)** project execution by **Chinese companies.**
- **Resource Rivalry:** As both India and China seek to secure resources in Africa, competition has intensified, sometimes leading to friction.
 - This is particularly evident in the **oil and gas sector.**
 - For example, **in 2006, India lost out to China in a bid for oil assets in Angola.**
 - This competition can lead to inflated prices and strained diplomatic relations, as African countries balance relationships between these Asian giants.

What Measures can India Adopt to Enhance its Relations with Africa?

- **Trade Treaty Transformation-Crafting Win-Win Agreements:** Negotiate and implement comprehensive economic partnership agreements with key African regional blocs like the **African Continental Free Trade Area (AfCFTA).**
 - Focus on **reducing tariffs on African goods,** particularly in sectors where Africa has a comparative advantage, such as agriculture and minerals.
 - For example, **India could offer preferential access for African coffee, cocoa, and rare earth minerals** in exchange for greater access for Indian pharmaceuticals and IT services.
- **Skill Share Surge:** Expand and modernize India's capacity-building programs in Africa, like the [Indian Technical and Economic Cooperation \(ITEC\)](#).
 - Launch a "**Digital Skills for Africa**" initiative, targeting to train African youth in IT, AI, and data science.
 - Establish **Indian Institutes of Technology (IIT) and Indian Institutes of Management (IIM) branches** in key African countries.
- **Resource Reciprocity:** Develop a strategic minerals partnership program, focusing on joint ventures between Indian and African companies in critical mineral extraction.
 - Establish an **India-Africa Mineral Development Fund** to finance these projects.
 - Target key resources like **lithium in Zimbabwe, cobalt in DRC, and rare earth elements in South Africa.**
- **Infrastructure Impetus:** Create a dedicated "**India-Africa Infrastructure Commission**" to oversee and expedite Indian infrastructure projects in Africa.

- Set clear timelines and accountability measures for project completion.
- Focus on **high-impact, quick-turnaround projects like solar power installations, water treatment plants, and digital connectivity initiatives.**
- **Modernizing African Agriculture:** Develop an **"India-Africa Agriculture Innovation Corridor"** to transfer Indian agricultural technologies and practices to Africa.
 - Set up Indo-African model farms across the continent by 2026, showcasing Indian agricultural techniques and equipment.
 - Launch a **"Digital Farmer" app in partnership with African governments**, aiming to reach 10 million African farmers with crop advisory and market linkage services.
 - For example, replicate the success of **India's e-NAM (electronic National Agriculture Market)** platform in key African agricultural markets.

Conclusion

Africa's strategic significance for India is underscored by its vast reserves of critical minerals, economic potential, and geopolitical importance. By **forging comprehensive trade agreements**, enhancing skill development, and investing in infrastructure and agriculture, India can strengthen its ties with Africa and **secure its critical mineral needs.**

Drishti Mains Question:

Discuss the strategic significance of Africa for India in terms of its critical minerals requirements. How can India leverage its historical ties and soft power to deepen engagement with African nations?

UPSC Civil Services Examination, Previous Year Questions (PYQs)

Prelims

Q. In which one of the following groups are all the four countries members of G20? (2020)

- (a)** Argentina, Mexico, South Africa and Turkey
- (b)** Australia, Canada, Malaysia and New Zealand
- (c)** Brazil, Iran, Saudi Arabia and Vietnam
- (d)** Indonesia, Japan, Singapore and South Korea

Ans: (a)

Mains

Q. 'The long-sustained image of India as a leader of the oppressed and marginalised nations has disappeared on account of its new found role in the emerging global order.' Elaborate. (2019)