EMBASSY OF INDIA LUANDA

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Interview with Indian Ambassador Mr. Srikumar Menon

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"A Índia não concorre coma China em Angola. Cada país tem a sua zonade influência"

Embaixador da Índia em Angola, Srikumar Menon, garante novos investimentos e anuncia para breve uma reunião da comissão mista para reforçar a cooperação.

texto Estêvão Martins fotos Carlos Muyenga



ual é o estado

unde to estado das relações bilaterais entre angola e a República a India? Os nossos dois Dises tên um to fortaleceu-se ao longo dos anos e, actualmente, cooperamos em diversas áreas. As nossas prioridades estão focadas no fortalecimento das relações conductos e comerciais. A India quer compartilhar a sua experiência, conhecimentos e tecnología no desen-volvimento de Angola. Pretende ainda contribuir com os planos de ressurgi-mento econômico e diversificação económica de Angola. A nossa parceria com Angola é impulsionada pelo desejo da cooperação Sul-Sul, capacitação, formação, desenvolvimento de recur-sos humanos, acesso aos mercado de um eoutro e apoio ao investimentos indianos em Angola.

Quais são as áreas prioritárias para a cooperação bilateral? Ambos os países têm muitos desafios



Following is the English translation of the interview that appeared in the Print edition of Vanguarda newspaper on 15 September 2019

Question: What is the state of relations between Angola and the Republic of India?

Response : Ambassador India :

Our two countries have had a long historical, and friendly relationship, which has strengthened steadily over the years and presently we are cooperating in diverse areas. Our priorities are focused on strengthening economic and commercial relations. India wants to share its developmental experience, its expertise and technology to contribute to the Angola's economic resurgence and economic diversification plans. Our partnership with Angola is driven by the desire for South-South Cooperation, empowerment, capacity building, human resource development, access to each other's market and support for Indian investments.

Both countries have many developmental challenges where we can learn from each other's experiences. India has much to offer to Angola in terms of expertise and institutional best practices. India and Angola can also strengthen cooperation at various international forums, especially those concerning environment and climate change, energy security, trade and counter-terrorism. On the other hand, there are several common areas of interests to be explored between our two countries.

Through Indian Technical and Economic Cooperation programmes, we provide training to government officials and other professionals from Angola on a regular basis. The Indian Government offers 30 ITEC scholarships annually to Angolan citizens for short term training courses in different areas like English language, Audit and Finance, Banking, Information Technology (IT), Leadership etc. In addition to this, the Indian government also provides annual ICCR scholarships to Angolan students to undergo Graduate and post graduate studies in various subjects in Universities in India.

Question: How has trade been between the two countries?

Response : Ambassador India:

Energy forms the heart of the India-Angola partnership. For India, Angola is the second largest African oil supplier (after Nigeria). Angola is a member of OPEC and a major producer of energy, while India is one of the fastest growing energy consumer. India has 18 refineries and currently imports 70 percent of its crude demand. So there is complementarity of interests, with potential for cooperation and investment opportunities in oil and gas exploration for India's ONGC Videsh Limited (OVL) and Angolan oil sector entities.

India is an attractive investment destination and reliable economic partner whose macro-economic indicators have improved consistently over the past several years. The country represents a growth opportunity to every country that wishes to partner it. We would like to see Angolan entrepreneurs take advantage of this growth opportunity that India offers.

Question: Besides the energy sector, what are other areas of interest of India to Angola?

Response : Ambassador India

Our companies are also collaborating in different areas including in sectors like healthcare, industrial products, pharmaceuticals, mining, hospitality etc.

Bilateral trade is about US\$4700 million. India's imports from Angola in 2017-18, was US\$4324 million, whereas India's exports to Angola was US\$ 235 million. Obviously, we realise there is potential for more. India imports crude oil, iron, steel, copper, aluminum and lead from Angola, while India exports meat, transport equipment (like buses, cars, two-wheelers, tractors, locomotives), pharmaceuticals and textiles.

Pharmaceutical exports from India have great potential for the Pharmaceutical market here in Angola. Importing quality certified Pharma products from India provides a huge advantage to the Angolan healthcare sector. It would greatly benefit the average Angolan population, providing a more level playing market with easier access to medicines at affordable prices. At the same time, the Angolan healthcare sector would benefit from substantial savings and avoid high costs of importing similar Pharma products from Europe and other expensive sources.

For our bilateral trade relations to grow, we need to encourage the business communities and Trade Chambers to engage more. There need to be more frequent visits by business delegations from both sides including participation in major trade fairs organised in the two countries.

Question: What are the main areas of Indian investment in Angola?

Response : Ambassador India

Angola is rich in natural resources (oil, diamonds and other minerals). There is much untapped potential in promoting our bilateral trade and economic ties. Part of the reason for the caution shown by businessmen on both sides is that there is not enough exposure to each other's changed situation and latest achievements. We are taking energetic steps to bridge this information gap. We will continue to make efforts to correct this so that Angolan companies become more aware of the vast potential of engaging with India and the opportunities that Indian companies offer. The bilateral Angola-India Chamber of Commerce & Industry was established in 2017 to promote this objective. There is growing interest and intent among the Indian business community to do business in Angola. I am personally optimistic of seeing growth in this area in the very near future.

We are also seeking concrete collaboration in the field of agriculture including in cotton production.

For the entrepreneurs, main sectors of interest are: Textiles, engineering goods, pharmaceuticals, healthcare, IT and IT Enabled Services (ITES), polished diamonds and precious stones. Indian entrepreneurs see capital and value-based manufacturing as the next big opportunity in Angola and the region.

Question: As India is a country with the third largest economy in Asia and one of the largest in the world, there is a little intervening role in Angola's economic and social life unlike China. Why is this? Do you corroborate the claim that India has lost to China in Angola?

Response : Ambassador India

I do not think this assessment is correct. India has its own unique presence here in Angola and that is visible. Having said that, let me also add that India is not in competition with China. We both are large countries, having our own unique niche areas and having important bilateral partnerships with several countries in the African region. And both of us contribute and bring value to these ties with respective partners, including Angola, in our own unique way. Our leadership has all along contended that there is adequate space for both India and China to grow and achieve their objectives together, something that is for the betterment and development of the people in the African region.

Question: It is well known that India will build a diamond cutting and polishing pole in Saurimo. As one of the world's largest diamond cutting and polishing markets, what other investments India has planned for Angola in the diamond sector?

Response : Ambassador India

The Indian Gems and Jewellery industry is a prominent player in the Indian economy, contributing around 7% to India's GDP and also contributing to 15.71% of the country's total merchandise exports of India, valued at approximately US \$274 billion. India accounts for 85 per cent by volume and 92 per cent in terms of number of pieces of diamonds cut and polished. The gems and jewellery industry in India employs about 5 million workforce. We are quite hopeful that the Gem & Jewellery Export Promotion Council (GJEPC) of India would soon be bringing a delegation of top manufacturers and exporters to Angola.

Some Indian diamond entrepreneurs are exploring the possibility of collaborating with Angolan entities, as Angola's new diamond trading policy regulations offer a good opportunity for Indian diamond companies to participate in this sector..

Question: Is there any funding line for Angola and while it is budgeted?

Response : Ambassador of India

Africa is a top priority in India's foreign and economic policy plans. And when we mention Africa, we also see Angola as an important and integral part of those plans. During the Third India-Africa Forum Summit - IAFS in October 2015 (in which 54 countries of the African continent participated), India announced Lines of Credit of US\$10 billion for development projects in Africa, over the next five years and a grant assistance of \$600 million.

EXIM Bank of India extended a Line of Credit of US\$ 23 million to the Government of Angola in 2012 for supply of Indian-made tractors, implements and related spares. India had also proposed the setting up of a Food Processing Business Incubation Centre in Angola.

Question: What other structuring sectors may be funded by India?

Response : Ambassador of India

Indian companies are also proposing to use the EXIM Bank credit line to fund major projects for the improvement of infrastructure such as power substations and electricity transmission lines between the cities of Huambo and Lubango. They are also willing to invest in the agricultural sector, and install, supply and assemble tractor parts. There are also plans for treatment of industrial wastewater and desalination plants in the province of Benguela and others.

Question: What kind of Indian companies are based in Angola?

Response : Ambassador India

Indian and Indian-origin entrepreneurs have investments estimated around USD 2 billion in Angola, mainly in sectors such as iron and steel, aluminium, industrial gas, hotels, hypermarkets, retail/departmental stores amongst others. Major corporate groups such as the TataMotors, Mahindras, Dabur etc. are present through franchise representatives. The leading enterprises owned and managed by Indian entrepreneurs in Angola included AngoMart, Ango-Zara, Best Angola Metals, Campotec Lda, Flo-tek, Mafcom, Newaco Grupo, Noble Group, Prince Pharma, Shalina Pharma, Walford, ZeePack etc.

Question: What model of cooperation with Africa does India advocate since some Western countries cast criticism on the Chinese model?

Response : Ambassador India

As our Prime Minister has said - 'African priorities are our priorities'. India's partnership with Africa is based on a model of cooperation which is responsive to the needs of our partners in Africa. It is demand-driven and free of conditionalities. It is based on our history of friendship, historical ties, and a sense of deep solidarity. Our initiatives in Africa ensure respect for sovereignty, equality and territorial integrity of the partner nation. India sources nearly 18% of its crude oil and also its LNG requirement, mostly from the West African region. On the other hand. nearly 20% of our pharmaceuticals exports are for the African continent. Many Indian pharmaceutical companies have setup manufacturing units in Ethiopia, Uganda, DRC, Zambia and Ghana. Our medicines and state of the art medical equipment such as Bhabhatron machine for cancer treatment and photo therapy units are saving lives in Africa.

Question: What projects does India have in the digital area for the African continent?

Response : Ambassador India

As is known, India is also helping the African countries to bridge the digital gap. We have launched the 2nd phase of the Pan Africa e-Network project – e-VidhyaBharati and e-ArogyaBharati Network Project (E-VBAB), which aims to provide 5 years free Tele-Education to 4000 students. free medical education to 1000 doctors/nurses/paramedics and free medical consultancy. Angola stands to gain substantially from this and accordingly we have shared details of this initiative with the Angolan government and hope to finalize a bilateral agreement on this very shortly.

Question: India is currently a space power and Angola has been on the road to consolidating its space program and is preparing for the launch of Angosat 2. In this field, what can India offer Angola?

Response : Ambassador India

International cooperation has always been part of the Indian space programme. India has offered assistance to developing countries in a more cost effective manner for building up their capabilities to derive benefits of space technology. Angola can benefit from India's expertise in this area, including assistance in Earth remote sensing satellites for Agriculture and Meteorological purposes as well as applications for satellite navigation and telecommunications. India's space organisation (ISRO) has entered into formal cooperation arrangements with counterparts in other countries including in the African region.

Question: India being a strong cotton producer and Angola owning three major inoperative infrastructures (Satec, Textang II and textile Africa), among other reasons, due to lack of and raw material, has India ever been contacted for the operationalization of the factories?

Response : Ambassador India

There have been no direct approach from these companies on this issue. The non-availability of raw material (Cotton) for the textile plants is a major factor impeding the textile projects in Angola. Currently, there is no significant cotton production in Angola. We understand that all the cotton requirement for these plants is presently being imported, thus operating the textile plants is not viable. Thus there is an urgent need for looking at options to produce Cotton domestically in Angola. This also is to highlight that cotton is an important commercial commodity in India.

Question: What are the potentialities of India in this sector?

Response : Ambassador India

The commercialization of Bt Cotton variety (which is insectresistant) has helped to increase the average cotton yield in recent years in our country. India is among the largest producers and exporters of cotton now. India is also the largest producer of cotton hybrid seeds and over 95% of the cotton cultivated in India is Bt Cotton. At present, Bt Cotton technology is under regulatory control in some cotton growing countries of Africa. If there is a demand, the Indian seed industry would be willing to consider supply of hybrid cotton seeds to Angola on credit.

Question: Another issue has to do with the railways, where India has great potential. What support can your country provide to Angola for existing projects?

Response : Ambassador India

In the past, in 2010, Export-Import Bank of India, had extended Lines of Credit (LOCs) of US\$ 40 million to Government of Angola for railway rehabilitation, namely the railroad of Mocamedes. The rail project contract was carried out by the Indian consulting firm RITES Limited. As has recently been agreed with several other countries, India may consider offering LOCs for ongoing railway projects in Angola. The program aims to acquire high quality rail material from India, such as DMUs (Diesel Multiple Units) Railway Locomotives, Container Carrier Wagons, Fuel Tank wagons as well as options for upgrading of Railway Tracks.

As has been agreed recently with several other countries, India can consider offering Lines of Credit (LoC) to Angola Railways, to help procure from India high quality railway rolling stock like

Question: India and Pakistan, two nuclear powers, have been in constant conflict over the Kashmir region. What is the possibility of reaching a definitive peace agreement between the two countries in the short to medium term?

Response: Ambassador India

India has always advocated the normalization of ties in a terror-free atmosphere. We are optimistic about the prospects for peace and we believe that dialogue is the only way forward to solve problems. Pakistan's decision to reduce our diplomatic relations is unilateral action by that government. The intention behind these measures is obviously to present an alarming picture to the world of our bilateral ties. The reasons cited by Pakistan for the action are not supported by facts on the ground. India has urged Pakistan to review its decision so that normal channels for diplomatic communications are preserved. Let me emphasize that India, as a responsible power, has shown restraint in face of provocative Pakistani rhetoric and actions.
