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Editor's Note

In the month of October 2022 Vivekananda International Foundation (VIF) organized a total of five expert group meetings. This month's report also contains the newly created Africa expert group's first meeting discussions. Thus in the last two months the VIF has instituted two new expert groups to capture key areas of focus.

The West Asia Experts Group Meeting was held on 6 October 2022 by the Vivekananda International Foundation, the discussion was focused on "Morocco's Foreign Policy and India-Morocco Relations". The key speaker for the session was Mr. Mohamed Maliki, Ambassador of the Kingdom of Morocco to India. The speaker briefly touched upon the kingdom's political trajectory during the French Protectorate and post-independence period. The discussion was also about Morocco's strategic interests in the Western Sahara region.

The Neighbourhood Experts Group organised a talk on "Nepal's Domestic Developments". The discussion focused on Nepal's politics

in general and the Nepal elections for the federal parliament and provincial assemblies to be held on 20 November 2022. Throughout its history Nepal's politics has been marred with complexities and uncertainties. As the country gears up for elections for the federal parliament and provincial assemblies, important characteristics of Nepal's politics was discussed.

A meeting of the Pakistan Study Group (PSG) was held in hybrid mode. The main items on the agenda were Pakistan: Imran Khan's disqualification in Toshakhana case, Imran Khan- long march; govt. plans, by elections- implications, FATF, Floods- rehabilitation, Pak-US; Pak-China relations.

The Geo-economics Experts Group at the Vivekananda International Foundation held its second meeting on 'Possible Global Recession and Implications for India'. After initial remarks by Dr Arvind Gupta, Director VIF, presentations were made by Ambassador Venkatesh Varma, Ambassador V Seshadri, Dr Sanjaya Baru, and Dr Rajiv Kumar. The discussion raised a number of issues from structural challenges facing the global economy, the need for a Medium-Term Growth and Trade Strategy for India and astutely traversing the geopolitical landscape ahead.

On 2nd November 2022, VIF organised the 1st Africa Expert Group meeting. The broad theme of the discussion was "Africa: Emerging areas of cooperation". The group discussed the different contours of India-Africa partnership, identify the emerging areas of cooperation and prepare a roadmap to foster more active collaboration in the identified areas.

The coordinators and researchers associated with the expert and dialogue groups, think tanks and interactions have put unfaltering efforts to coordinate the meetings, to provide range and diversity of views as well as capture the discussion for the reports.

Naval Jagota

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Morocco's Foreign Policy and India-Morocco Relations

Prepared by Hirak Jyoti Das

The West Asia Experts Group Meeting was held on 6 October 2022 by the Vivekananda International Foundation, the discussion was focused on "Morocco's Foreign Policy and India-Morocco Relations". The key speaker for the session was Mr. Mohamed Maliki, Ambassador of the Kingdom of Morocco to India. The members attending and contributing were Amb. Anil Trigunayat (Coordinator); Director, VIF, Dr. Arvind Gupta; Amb. D P Srivastava; Amb. Satish Chandra; Dr. Meena Singh Roy; Dr. Sreeradha Datta; Vice Admiral Satish Soni; Lt. Gen. Ata Hasnain (Retd); Brig. Vinod Anand (Retd) and Lt. Gen. Ravi Sawhney (Retd)

Morocco is one of the oldest states in the world that lies at the intersection of Africa; Arab world and Europe. Morocco's foreign policy outlook is rooted in its history and the kingdom sent emissaries to other states since 1600s. Notably, Morocco was one of the first states to recognise the US in 1777. Morocco's foreign policy is based on cooperation and developing friendly ties with other states. At the same time, it is highly assertive about protecting its territorial sovereignty and independence. The speaker briefly touched upon the kingdom's political trajectory during French Protectorate and post-independence period. The discussion also talked about Morocco's strategic interests in the Western Sahara region.

Morocco and India are ancient societies and share civilizational bonds. Both states are working together to intensify the level of engagement and trade volume especially in the automobile sector, fertilizers, phosphates, fiber optics etc. Indian firms in recent years are increasingly investing in Moroccan economy. Both states have maintained high level institutional mechanisms such as Joint Commission Mechanisms and Foreign Office Consultations for dialogue. Cultural exchanges, training and capacity building programmes, scholarship schemes have been regularised. In terms of defence cooperation, Indian naval vessels have visited Morocco and participated in maritime patrol exercises. Both states have also appointed defence attaches and deeply interested in heightening cooperation in defence industry.

Nepal's Domestic Developments

Prepared Aakriti Vinayak

On 18 October 2022, the Vivekananda International Foundation (VIF) organised a talk on “Nepal’s Domestic Developments”. The discussion focused on Nepal’s politics in general and the Nepal’s elections for the federal parliament and provincial assemblies to be held on 20 November 2022. Jay Nishant was the key speaker. The meeting was attended by Dr Arvind Gupta, Director VIF, Amb Satish Chandra, Amb Ashok Kantha, Dr. Nihar Nayak, Prof S D Muni, Dr Sreeradha Datta, Brig Vinod Anand (Retd), Shri Raghvendra Singh, Rishi Gupta, Aakriti Vinayak and Chhavi Vasisht.

Nepal’s Democracy

Throughout its history Nepal’s politics has been marred with complexities and uncertainties. As the country gears up for elections for the federal parliament and provincial assemblies it is important to highlight the characteristics of Nepal’s politics. First characteristic is that the political instability has been the most stable factor. This can be ascertained from the fact that in seven decades there have been seven constitutions. Nepal has also seen more than 32 prime ministers compared to India, which has seen 14 prime ministers, PM Narendra Modi being the 14th PM. It is also important to note that that last parliament was the only one to have lasted for five years. Second is the post-ideological phase of politics. Nepal is

located between two Asian giants India and China, which have two entirely different political ideologies. In Nepal all the political parties are directly or indirectly influenced by ideologies of politics of India and China. Broadly in Nepal there are liberal democracies, democratic socialists, communists and identity based political parties. It is pertinent to note that whether it its post or pre election political parties don't function as per their ideologies. The third factor about Nepal's politics is that communists have emerged from being kings to kingmakers. The last parliament had nearly two third communists. While the world has seen communist ideology fading, in Nepal its gaining traction. The reasons are varied from poverty, lack of awareness to weakened democratic political parties.

The fourth and critical characteristic of Nepal's politics is the presence of Madhesh and Madhesis, which geographically is 53 percent and demographically 33% of the population. They have always been discriminated politically and socially by the ruling class and ethnic groups in Nepal. Madhesis have revolted against this discrimination, which has resulted in thousands of martyrs maimed and injured and billions worth property wasted. Their main demands were federalism and proportional representation. However, over the period of the time they have got some rights in the new constitution. The Madhesh movement also introduced the concept of reservation in Nepal's new constitution. But the corresponding acts that were passed by the parliament dominated by ruling community members created a provision that mandated that they themselves get the first and largest share of reservation. Lastly though Nepal transitioned to federalism with a new constitution in 2015, the idea of federalism in the current scenario is fading away. Federal government doesn't fully support sub-national governments due to the centralized mindset of bureaucrats and politicians.

Elections

On 20 November 2022, Nepal will hold its second elections for the federal parliament and provincial assemblies under the provisions of the

constitution it adopted in 2015. The first elections were held in 2017. Of the total 275 seats in the federal parliament, 165 are directly elected under the first-past-the-post (FPTP) system, and 110 members are elected through the proportional representation. While 61 parties have registered for first-past-the-post system 47 have registered for proportional representation. The current elections are also expensive with an approximate cost of a trillion (NPR). There are caps on the expenditure incurred, for a federal candidate, not more than 33 lakhs and for a provincial candidate, not more than 22 lakhs.

The main contest is between the ruling coalition, led by Prime Minister Sher Bahadur Deuba's Nepali Congress (NC), and the opposition alliance under former prime minister K P Sharma Oli's Communist Party of Nepal-United Marxist Leninist (CPN-UML). The ruling coalition has NC, Communist Party of Nepal (Maoist Centre) [CPN-Maoist Centre], Communist Party of Nepal (Unified Socialist), Loktantrik Samajwadi Party and Rashtriya Janmorcha. On the other hand, the CPN-UML has partnered with the Hindu-nationalist Rashtriya Prajatantra Party (RPP) and Janata Samajwadi Party (JSP).

Unlike previous parliamentary elections, this time there are a lot of independent candidates. The victory of independent candidates including Harka Sampang in Dharan, Balen Shah in Kathmandu and Gopal Hamal in Dhangadhi in the local-level election held last May might be the reason behind the increasing number of independent candidates in this House of Representatives and province assembly elections. A total of 360 candidates have filed their candidacies for 15 seats of House of Representatives member in three districts in the Kathmandu Valley, and of them 128 are independent candidates, which is 35.55 per cent of the total candidacies. The key question that looms is how the next government will balance ties with neighboring giants China and India. There is a progressive involvement of China in Nepal's domestic politics, especially among the communist political parties. India on the other hand has maintained friendly relations and has been observing the situation on the ground.

Nepal's elections come at a very critical point when the economy of the country is in doldrums. It is grappling with a high inflation rate of over eight per cent and low foreign exchange reserves. However that even though the economy is in a tight spot, it is unlikely to collapse. The remittances, which constitute one-quarter of the GDP, are rising again, and therefore, the economy may revive in the given course of time. It is pertinent to note that elections will be held under the constitutional deadline and it will be crucial for Nepal to consolidate the democratic process and maintain stability for the future.

Pakistan: Developments Internal and External

Prepared Aakriti Vinayak

A meeting of the Pakistan Study Group (PSG) was held in hybrid mode on 27th October 2022. The main items on the agenda were Pakistan: Imran Khan's disqualification in Toshakhana case, Imran Khan- long march; govt plans, by elections- implications, FATF, Floods- rehabilitation, Pak-US; Pak-China relations. The Meeting was attended by the following: Shri Arvind Gupta, Amb Satish Chandra, Ms. Shalini Chawla, Shri Rana Banerjee, Shri Sushant Sareen, Amb DP Srivastava, Amb G Parthasarathy, Lt Gen Ravi Sawhney (retd), Brig Rahul Bhonsle, Amb DB Venkatesh Varma, Amb Amar Sinha, Shri Tilak Devasher, Gen NC Vij (retd) and Gp. Capt. Naval Jagota (retd).

Internal

The month saw interesting developments both on the external and internal front. On the internal front Pakistan remains in a state of political instability. The By-elections were held on October 16, 2022 in three provinces. It is pertinent to note that the Pakistan Tehreek-e-Insaf (PTI) managed to win six out of eight National Assembly (NA) seats. PTI chief Imran Khan was contesting the election against candidates of the ruling Pakistan Muslim League-Nawaz (PML-N)-Pakistan People's Party (PPP) coalition and other independent contestants. The results were expected to capture

the mood of the masses ahead of general elections next year and Imran Khan's victory reflected his popularity amongst the people. He in fact in a press conference stated that the polls were called in constituencies where the government thought PTI was weakest and despite such attempts, the voter's defeated combined candidates of the ruling coalition. Since the time Imran Khan was ousted through the no-confidence vote he has been using certain narratives focused on Islamophobia, ant-USA tirade and calling the incumbent government as imported regime. His popularity has risen in the past few months. However in a big twist, the Election Commission of Pakistan (ECP) on 21st October 2022 disqualified PTI chief Imran Khan in the Toshakhana reference under Article 63(1)(p) for making "false statements and incorrect declaration". In the written ruling, the ECP said Khan had "intentionally and deliberately" violated the provisions in Sections 137, 167 and 173 of the Elections Act, 2017, as he "has made false statement and incorrect declaration before the Commission in the statement of assets and liabilities filed by him for the year 2020-21". This verdict against the PTI came as a big blow to the party which won the by elections few days back. Though Khan has been barred from holding public office by the election commission there is no ban from the leading PTI. In fact he continues to put pressure on the government to announce an early national elections, which is officially scheduled in October 2023. Since his ouster he has been regularly holding rallies and giving fiery speeches which has led him to cross many red lines. He is in fact preparing for another long march to up the ante against the government. The future looks hazy on the political front as Pakistan is headed for a prolonged instability.

Further Pakistan is reeling under the after effects of catastrophic floods. The foreign Minister of Pakistan stated that floods are a disaster on a scale the country has never experienced. There have been reports that about 10 million children in need of immediate, lifesaving support, and at increased risk of waterborne diseases, drowning and malnutrition. Further the floods are going to put pressure on already faltering economy. The government has estimated the total losses from the disaster at \$30.1 billion, and that recovery will cost \$16.3 billion in addition to \$816 million for rescue and

relief. Pakistan is seeking climate compensation and debt relief from the various countries. Countries like USA has provided more than \$56 million in flood relief and humanitarian assistance for Pakistan this year.

External

On the external front there has been some positive developments especially on the Financial Action Task Force (FATF) front as it removed Pakistan from the “grey list”. On October 21, 2021, FATF stated that “Pakistan has strengthened the effectiveness of its AML/CFT regime and addressed technical deficiencies to meet the commitments of its action plans regarding strategic deficiencies that the FATF identified in June 2018 and June 2021, the latter of which was completed in advance of the deadlines, encompassing 34 action items in total”. This is an important development as Pakistan has been on the grey list since June 2018. However it is also pertinent to note that coming out of the grey list will not significantly impact Pakistan’s economy, which remains in doldrums.

On the foreign policy front there has been a reset of ties between USA and Pakistan. This can be ascertained from the recent visit of army Chief Qamar Javed Bajwa to USA. The visit was considered to an indication of USA- Pakistan relations coming back on track. Bajwa on a weeklong visit to USA held meetings with top US officials and discussed matters related to India, China and Afghanistan. In a press statement, which was released by US, defence department pointed out that the long-standing partnership continues today with discussions focused on opportunities to address key mutual defence interests. Pakistan- China relations remain stable. In fact Shehbaz Sharif on November 1-2, 2022 pay a two-day official visit to China making him the first foreign head of government to arrive in Beijing since Xi Jinping took on a third term as general secretary of the Chinese Communist Party. Pakistan is also mending its ties with Saudi Arabia by reaching out to Saudi Arabia’s Crown Prince. The country has been persuading Saudi Arabia to revive USD 12 billion state of the art deep conversion refinery and a petrochemical complex in the country.

Possible Global Recession and Implications for India

Prepared by: Prerna Gandhi

The Geoeconomics Experts Group at the Vivekananda International Foundation held its second meeting on 31 October 2022 on 'Possible Global Recession and Implications for India'. After initial remarks by Dr Arvind Gupta, Director VIF, presentations were made by Ambassador Venkatesh Varma, Ambassador V Seshadri, Dr Sanjaya Baru, and Dr Rajiv Kumar. The discussion raised a number of issues from structural challenges facing the global economy, the need for a Medium-Term Growth and Trade Strategy for India and astutely traversing the geopolitical landscape ahead.

Some of the salient points made were:

Global Recession vs. Structural Transformation

The narrative of the 'decisive decade' has found traction in all major countries. The upcoming global recession needs to be viewed as not just a cyclical development but as one bringing forth many structural changes. The strengthening of the dollar has brought new challenges for the rupee and led to a marked decline in forex reserves. For India, increased participation in supply chains will need to be coordinated with strengthening indigenous industry particularly in strategic areas even as the ecosystem for encouraging the two are very different. Thus, it is

important to find ways to resolve inter se prioritisation and focus sectors. We have to be wary that the global slowdown will impact our exports despite 2021 being a record year for exports. We need to avoid being trapped in the 2013 Fragile Five situation by strengthening our internal ambience with focus on Aatmanirbharta, domestic manufacturing, trade facilitation, logistics, etc. The PM's Gati Shakti National Master Plan (PMGS-NMP) for providing multimodal connectivity infrastructure to various economic zones is a very welcome step in that direction. We need to carefully navigate through intensified export promotion efforts, diversification of markets, creating new incentives, and keeping exchange rate flexible. It is also important to ensure supply side expansion through speedy implementation of PLI schemes and activation of textile parks. As we take on G20 presidency in 2023, rather than showcasing India, the G20 agenda should be about mobilizing Global South.

Economic Growth Paradigm

Indian economic growth has slowed down, with annual rate of growth of GDP (in PPP terms) declining from 7.3% in 2003-14 to 3.8% in 2014-21. Correspondingly, the external environment has sharply deteriorated as the global economic and geopolitical environment is marked by increased contestation between major powers and major economies. The G-7 economies are under pressure at home to reverse the process of globalisation. Thus, India faces both domestic and external economic challenges. But policymakers cannot assume that the Indian economy can be 'decoupled' from the global economy. Hence, recession in developed economies and geopolitical uncertainty will impact Indian economic growth in the medium term. This has already impacted employment at home, it has slowed export growth, exerted pressure on the fiscal and current account deficits and on the exchange and inflation rates. India requires a medium-term plan that will stabilise the economy and shape expectations of investors, firms, and households. These medium-term measures will have to be taken against the backdrop of managing long term economic dependencies, especially India's dependence on imported energy, defence equipment and new and

high technology.

Guns vs. Butter Debate

With the reshaping of world order happening, economic growth need to be reshaped as a national security priority for India. Both our defence budget and R&D expenditure remain woefully short when defence expenditures are going up across the world. We cannot be a major power without increase in defence allocations as your hard power determines your diplomatic strengths. There is a gap today in deterrence credibility on the conventional level which needs to be bridged at the earliest. Once our vulnerabilities on the border are circumscribed, we can become a more confident player on the international stage. However, rather than increasing defence budget as percentage of GDP, focus on increasing GDP growth rates may remain the more feasible path ahead. Yet there is necessity to support defence modernization with more flexible and innovative budgetary responses.

Energy Policy

In coming time, India's energy consumption can be expected to go up tremendously. Securing energy supplies has therefore assumed new priority. As global energy map changes, Russia will have further spare supplies that are likely to flow southward- towards Turkey, Iran, India, and the Gulf. There is definite potential to expanding ties with Russia, but it brings forth added concerns on ties with the US and west. India may need to revisit undersea pipeline project from Iran. Despite promises there is going to be setback on climate change targets and the west is unlikely to fulfil commitments on climate finance and technology. But for India, moving towards renewables remains the only way forward. India is also heavily dependent on import of critical minerals such as rare earths for energy transition. There's also question of technology. On nuclear energy, for a country that had branded itself on an ambitious nuclear program, we seem to have just neglected it in recent years. Nuclear power can provide base load source of electricity generation, which is available 24X7 unlike

solar and wind which are more intermittent. India is not very rich in fossil fuel resources and considering the large and growing energy demand, all energy sources need to be deployed optimally.

Trade for Growth

The free trading agreements have accounted for only around 20 per cent of exports till recently. Thus, it is imperative to have more FTAs to have a level playing field in select key export markets, while exploring new emerging markets. The upcoming FTAs with UK, Canada and the EU will be more challenging not because of market access concerns, but because of non-trade issues. Some new and bold approaches will, therefore, have to be adopted. We are now seemingly more open to including government procurement and digital trade, but some strategizing is needed as our own domestic policies on labour, IT etc., need revision. Reviews of FTAs with Japan, Korea and ASEAN also needs to be pursued with vigour. Meanwhile, it is important to keep up the pressure on unnecessary imports particularly from China as our present level of trade balance is simply unsustainable. In the toys sector we appear to have significantly reduced imports and also increased exports. As general measure, rather than using tariffs, we need to explore quality control as a trade control tool. Efforts are needed to increase competitive domestic production of value-added items including ferrous and non-ferrous metals, downstream petrochemicals, machine tools, after market auto products, electrical fittings etc. In the medium term, a strategy for ensuring value addition in several of our exports presently going as primary products - raw shrimps, raw cotton, ferro-alloys, aluminium ingots, copper cathodes etc.- will also have to be prioritized.

EXIM policy

It is important to articulate soon a well thought out EXIM policy (that has been postponed since 2019) that can capture all the elements. Major countries are increasingly ensuring that their foreign, economic, trade and industrial policies are in harmony and better co-ordinated. We also need

to be in step. Our positions on various issues in the ongoing free trading agreements and WTO reform negotiations will need synchronisation. New EXIM policy could also address some of these aspects. On Indo-Pacific Economic Framework, India has signed on to the supply chain, clean energy, and fair economy pillars but not the trade pillar. Similar to the FTAs, India has some concerns on what commitments may come to get included on labour, environment, digital trade etc., in which US approaches are quite different. Even on the supply chain pillar there are several uncertainties and India is also not a member of the Minerals Security Partnership. Likewise on WTO, issues like land, environment, food security (stocks for Public Distribution System), definition of developing countries and enhancing role of WTO Secretariat etc. mandate a cohesive approach. There is also need to work with states on developing their EXIM or export promotion policies. No two states are alike and land requirement, trade facilitation, logistics, industrial hubs etc. are very state specific in nature.

Geopolitical Cost on Globalization

Until recently, globalization has had very little security overhead. Growth, profit, economic efficiency, market forces etc. were the driving factors in the past. However, the Russia-Ukraine war, the US-China tech battle and Europe's Energy Crisis show that countries are willing to accept pain on account of geopolitical factors that may have been thought of as impossible a decade back. Political support for the war in Russia remains high even though the just completed mobilization was politically unpopular, especially with the middle classes. The Russian economy has stabilized in the short term but would weaken in the medium and long term given difficulties in securing access to western technologies. For now, Russia is able to make do with imports through Turkey, China, and Gulf. The Indian government should provide incentives to use International North-South Transport Corridor and encourage new Indian businesses to look at the opportunities in Russia.

Africa: Emerging areas of Cooperation

Prepared by Samir Bhattacharya

On 2nd November 2022, VIF organised the 1st Africa Expert Group meeting. The meeting was chaired by Amb Rajiv Bhatia, Dr Arvind Gupta, Lt General R K Sawhney (retd), Amb Anil Trigunayat, Ms Ruchita Beri, Prof Rajen Harshe, Amb. Rakshpaul Malhotra, Manish Singhal, Ms Deepti Pant, Mr Kaushlrndra Sinha, Amb D.K. Shrivastava, Dr Nivedita Ray and Mr Samir Bhattacharya

Dr Arvind Gupta, Director VIF, welcomed every member of the Group for the 1st meeting. He emphasised how the world order is changing, similar to the cold war. Being the natural allies, India and Africa must stand together amidst this crisis, he suggested. He also hoped that the Group would be able to successfully bring out some African voices. Referring to PM Modi's historic speech in Uganda, he highlighted the importance of think tanks in conducting our discussion using a bottoms-up approach. This will help to re-energise the global south in which Africa will play a significant role.

The group's aim was to discuss the different contours of India-Africa partnership, identify the emerging areas of cooperation and prepare a roadmap to foster more active collaboration in the identified areas".

The enumerated five key points, which were unanimously agreed upon.

- I. Review the recent developments in Africa, particularly in the last few years
- II. Assessment of the present state of the India-Africa partnership, including political, security, economic and other domain, at the continental or bilateral level
- III. Developing some suggestions, some recommendations, or some roadmap
- IV. Different issues related to the Group, including frequency, team composition etc.
- V. Any other issues

Some highlighted key events in Africa, including the economy, health, conflict etc. and how the world is losing its interest in Africa, particularly since April 2020.

The other points emphasised that the relationship between India and Africa is asymmetrical, and it is essential to adopt a bottoms-up approach so that we can understand their real needs and work on them. Many of today's problems, such as food security, are linked to climate change. In addition, the energy-hungry Indian economy needs oil and gas to keep up its growth story. While Russia is helping India, India must focus on the GoG region, particularly Nigeria. Sudan and Angola are some other countries necessary for our energy security. ONGC was praised for its work in Sudan. The importance was highlighted of exploring and strategising different measures to penetrate other African markets. IT sector is another prospective area for African markets. Exploring India-made defence systems for African countries, as some already have a ready market was suggested.

The need for India to have a comprehensive Africa policy, presently it mostly has a piecemeal arrangements, and in this regard, PM Modi's Uganda speech becomes crucial. It was highlighted that the time is right to

evaluate our achievements so far vis-à-vis those goals set. Suggestion was to divide the outcomes of the Group into short, medium and long-term approaches. In contrast, the short-term suggestions will be directed to assist the India Africa Forum Summit. India must also prioritise whether to continue its bilateral-first approach or attempt the regional level, particularly after the implementation of AfCFTA. Another suggestion was for inviting different African speakers and allowing them to provide honest feedback. India should target a few countries and explore different areas of potential collaboration with those few countries. Another suggestion was the importance of sensitising our policymakers by regularly writing on African issues. Highlighted was the importance of the Indian diaspora in Africa and how to harness the benefit from their presence and exposure.

One of the speakers suggested as to how we can explore our trilateral cooperation to work in Africa and suggested Japan as the best country to partner with to work in Africa. Considering some sectoral partnerships, he highlighted the healthcare sector, particularly healthcare infrastructure, systems, management etc. Food security is another area that has a lot of potential. And finally, digital services would benefit Africa, and India has a lot to offer. The lack of funds to support Indian small businesses working in Africa and suggested exploring some funding mechanisms, more affordable than the current ones offered by Exim bank.

It is wise to identify a few key sectors and focus on them with a directed approach. Food and agriculture, pharma and Healthcare, renewable energy, mining, defence and security and education are some sectors emphasised as priority sectors.

Other discussion points were that we must remain cautious of what the media portrays as the current status of the India-Africa relationship. Some big events, without adequate follow-up actions, are not enough. Today Chinese trade and investment have exceeded the combined total of India, Japan, Germany and Brazil. Some specific suggestions to increase India's footprint in Africa:

- I. Consider creating a direct shipping line. This will help in saving time and money. Japan as a partner country can be explored
- II. Indian insurances are extremely expensive. Due to risk perception, insurance costs are high. India must work to bring the price down
- III. Explore barter trading with Africa. India can learn from China in this regard
- IV. Exim Bank should simplify the LoC procedure and make it more profitable for the private companies
- V. Indian government supported Sudan considering its human rights situation. Later, it was reciprocated when Indian company OVL won the bid.

Caution on too much dependency on outside support, such as Japan. India had a very bad experience in the past regarding AAGC, which never took off. India should instead focus on bilateral mechanisms.

Another view was India's relation with Africa has evolved over time, from a bilateral level to a structured Pan-Africa level in the form of Forum Summits as well as business level. While the Indian government is busy organising events like G20 and SCO, there's clearly some slide vis-à-vis Africa, and this doesn't bode well for India's Africa policy. It was regretted that at least virtual IAFS could have been arranged. It was highlighted some significant points of India Africa Defence Dialogue that took place parallel to Defexpo 2022, Gandhinagar, Gujarat. India's role in Healthcare and pharmaceuticals for Africa was emphasised. After the Ukraine crisis, the importance of food security partnerships has also come into prominence. Concerning agriculture, it was cautioned that our approach must be measured as land is a very sensitive issue in Africa. As India is buying more and more oil from Russia, and as crude oil is India's primary import from Africa, India's trade with Africa also may come down. That may hamper India's current relationship with Africa and India needs to navigate this situation carefully. In clean energy, ISA is doing a good

job, and we must not lose momentum. In defence cooperation, India can complement Russia and help African countries diversify their sources of defence imports. It was suggested including African students, African ambassadors, and think tanks to bring African voices.

Another area of discussion was to focus on a few key areas:

- I. Renewable energy- Hydro, solar and green hydrogen.
- II. Soft diplomacy- China has more than 1000 Confucius institutes in Africa, and France is also doing well. India must promote soft diplomacy.
- III. Tripartite cooperation- USA, UAE, and Japan are all interested in working with India in Africa, and partnership can help counter China.
- IV. Democracy projects- Coups and dictatorships are on the rise in Africa. India must consider how to help these African countries using Indian democracy models.
- V. Conflict in the Sahel- These regions are plagued by terrorism. While India participates in this region as part of UNPKO, the Group may consider more focused research and bring out some policy suggestions.
- VI. Maritime cooperation or Blue Economy.

Some suggestions that could help Indian companies in Africa were also discussed, such as:

- I. Ensure projects that are getting planned get implemented quicker.
- II. Explore different financing options other than LoCs; we can study Chinese examples, if required and customise it.
- III. In trade, Indian businesses would benefit from direct shipping lines and insurance, as suggested.
- IV. In manufacturing, AfCFTA may change a lot of things, and we must wait to see how things work out before making new

moves.

- V. In trilateral cooperation, there is a need for institutional mechanism development.
- VI. The country-wise strategic map is important; the regional approach may not work.
- VII. Barter trade should be promoted while trading with Africa, and there should be one nodal agency that can develop this idea.
- VIII. Diaspora engagement is there, but we need a better strategy to engage them in India's interest, converging the interests of the host countries.

About the VIVEKANANDA INTERNATIONAL FOUNDATION

The Vivekananda International Foundation is an independent non-partisan institution that conducts research and analysis on domestic and international issues, and offers a platform for dialogue and conflict resolution. Some of India's leading practitioners from the fields of security, military, diplomacy, government, academia and media have come together to generate ideas and stimulate action on national security issues.

The defining feature of VIF lies in its provision of core institutional support which enables the organisation to be flexible in its approach and proactive in changing circumstances, with a long-term focus on India's strategic, developmental and civilisational interests. The VIF aims to channelise fresh insights and decades of experience harnessed from its faculty into fostering actionable ideas for the nation's stakeholders.

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