

**Half-day seminar on 'India's Development Cooperation with Africa: What role for Private Sector?'** was organized by Confederation of Indian Industry (CII) in partnership with IPE Global under its Knowledge Partnership Programme support by DFID on September 2 2015 at CII Central office, New Delhi with the aim to disseminate the study findings and to initiate a discussion on how alignment of India's development cooperation and private sector priorities would contribute to poverty reduction and economic growth in Africa. Delivering the welcome address, Mr Sunil



Mitra, Team Leader, Knowledge Partnership Programme (KPP) noted that the private sector has become an important partner in development cooperation and recognised by both traditional donors and South-South assistance providers. This is because private sector involvement in development cooperation might lead to transfer of technology or other expertise, mobilization of additional development financing, economic interests such as increased trade, or

sustainability after the end of donor support. He pointed out the difference in India's development cooperation with Africa which is based on the principle of win-win relationships in contrast to traditional donors. India's development cooperation is very much a demand driven process reflecting the voluntary and less top down approach of South-South assistance providers. He emphasized that there are tremendous opportunities in sectors like infrastructure transport, agriculture and agro-processing, health sector, trade facilitation, skills and capacity development for Indian private sector. More importantly, he pointed out that the African governments are focusing on developing 'Partnerships' under the sixth pillar Under the Common African Position (CAP) and India as an emerging South-South partner as well as a large trading and investment partner, to give credence to the six pillars of CAP.

Tamar Bello, Head, DFID delivering her keynote address emphasized on the role of global partnerships for poverty reduction, economic growth and structural change in Africa. She emphasized on developing a sustainable partnership for greater developmental impact through business innovation. Mr. Shishir Priyadarshi Director, Development Division, WTO provided global perspective of development cooperation. He pointed out that in the South-South Cooperation there is a large role for private sector including local partner from host country which is missing in traditional approach. The involvement of private sector and local partner is vital for sustainability of development cooperation and this has been recognized at the Busan High-Level Forum on Aid Effectiveness in 2011. In addition, some funds from development

cooperation could be leveraged for higher funds to keep this partnership going forward. He emphasized on the greater synergy between public and private sector, traditional funds, developmental impact and business outcome, short and long-term sustainability etc.

Mr. Rajiv Wahi President- International Business, International Tractors Limited, provided the industry perspective on India's development cooperation with Africa. He pointed out that the Lines of Credit (LOCs) have been the most important source of project financing in Africa and LOC has helped Indian companies enter the African market as well as expand their footprints in the continent. He finds that higher growth potential, big market, cheap labour and raw material are factors driving Indian private sector to operate Africa. He highlighted factors such as political uncertainty, risks, land issues, infrastructure problems, transport and logistics costs as major impediments for India-Africa trade and investment relationship. Mr. Sachin Chaturvedi, Director General, Research and Information System for Developing Countries (RIS) shared the experience of The Forum for Indian Development Cooperation (FIDC) work and provided critical assessment of India's development cooperation with Africa in the context of South-South cooperation. Emphasizing that aid and grants are not sustainable in the long-run, he noted that there is need for private-public-civil society involvement for better developmental outcome.

Mr. Arun Sahu, Joint Secretary, Ministry of External Affairs, Government of India provided government perspective on India's development cooperation programme. He pointed out that India's development cooperation programme is unique in the sense that it is based on the philosophy of equal partnership with the objective on capacity building in the form of infrastructure and skill development in other countries. He asked for suggestions from industry, NGOS and academicians to improve and facilitate development cooperation with other countries. The presentations were followed by a robust discussion between the audience and the presenters. More than 70 participants representing various industry bodies, NGOs, academician and other stakeholders participated in this seminar. Mr Sunil Mitra, provided the concluding remarks. The findings of this study have been shared with Ministry of External Affairs, Government of India.

