

## **Prime Minister's speech at the African Development Bank (AfDB) meeting**

Distinguished guests and brothers and sisters from Africa

We are gathered today in the state of Gujarat. The Gujarati flair for business is well known. Gujaratis are also famous for their love of Africa! As an Indian and a Gujarati, I am very happy that this meeting is being held in India and that too in Gujarat.

India has had strong ties with Africa for centuries. Historically, communities from western India, especially Gujarat, and the eastern coast of Africa have settled in each other's lands. The Siddhis of India are said to have come from East Africa. The Bohra communities in coastal Kenya date back to the twelfth century. Vasco da Gama is said to have reached Calicut with the help of a Gujarati sailor from Malindi. The dhows of Gujarat took merchandise in both directions. Ancient links between societies have also enriched our cultures. The rich Swahili language includes many Hindi words.

During the colonial era, thirty-two thousand Indians came to Kenya to build the iconic Mombasa Uganda railway. Many lost their lives during its construction. Around six thousand of them stayed back and brought their families. Many of them started small businesses called "dukas" and came to be known as the "dukkawalas". During the colonial years, merchants, artisans and later officials, teachers, doctors and other professionals went to East and West Africa creating a vibrant community which combines the best of India and Africa.

Mahatma Gandhi, another Gujarati, perfected his tools of non-violent struggle in South Africa. He also visited Tanzania in 1912 along with Gopal Krishna Gokhale. Several leaders of Indian origin supported strongly, and fought alongside, the leaders of Africa's struggles for independence, including Mr. Nyerere, Mr. Kenyatta, and Nelson Mandela. After the freedom struggle, several leaders of Indian origin were also appointed in the Cabinets of Tanzania and South Africa. There are at least six Tanzanians of Indian origin who are now serving as Members of Parliament in Tanzania.

The trade union movement of East Africa was started by Makhan Singh. It was during the trade union meetings that the first call for Kenyan independence was sounded. M. A. Desai and Pío Gama Pinto participated actively in Kenya's independence struggle. The then Prime Minister Pandit Nehru sent an Indian Member of Parliament Diwan Chaman Lall to be part of Mr. Kenyatta's defence team, when the latter was imprisoned and tried during the Kapenguria trial in 1953. The defence team included two other persons of Indian origin. India was steadfast in its support for Africa's freedom. Nelson Mandela said, and I quote, "India came to our aid when the rest of the world stood by or gave succour to our oppressors. When the doors of international Councils were closed to us, India opened the way. You took up our battles, as if they were your own."

Over decades, our ties have become stronger. After assuming office in 2014, I have made Africa a top priority for India's foreign and economic policy. The year 2015 was a watershed.

The third India Africa Summit held that year was attended by all fifty-four African countries having diplomatic relations with India. A record forty-one African countries participated at the level of Heads of State or Government.

Since 2015, I have visited six African Countries, South Africa, Mozambique, Tanzania, Kenya, Mauritius and Seychelles. Our President has visited three countries, Namibia, Ghana and Ivory Coast. The Vice-President visited seven countries, Morocco, Tunisia, Nigeria, Mali, Algeria, Rwanda and Uganda. I am proud to say that there is no country in Africa that has not been visited by an Indian Minister in the last three years. Friends, from a time when we mainly had mercantile and maritime links between Mombasa and Mumbai, we have today

- this Annual meeting which connects Abidjan and Ahmedabad
- business links between Bamako and Bangalore
- cricketing links between Chennai and Cape Town
- development links between Delhi and Dakar.

This brings me to our development cooperation. India's partnership with Africa is based on a model of cooperation which is responsive to the needs of African countries. It is demand-driven and free of conditions.

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 dollars.

During the Third India-Africa Forum Summit, India offered 10 billion dollars for development projects over the next five years. We also offered grant assistance of 600 million dollars.

India is proud of its educational and technical ties with Africa. Thirteen current or former Presidents, Prime Ministers and Vice Presidents in Africa have attended educational or training institutions in India. Six current or former chiefs of armed forces in Africa trained in India's military institutions. Two current Ministers of the Interior have attended Indian institutions. Under the popular India Technical and Economic Cooperation Programme, more than thirty three thousand scholarships have been offered to officials from African countries since 2007.

One of our best partnerships in the area of skills is the training of "solar mamas". Every year eighty African women are trained in India to work on solar panels and circuits. After their training they go back and literally electrify their communities. Each woman is responsible for electrifying 50 houses in her community on return. A necessary condition for the women to be selected is that they be illiterate or semi-literate. They also learn several other skills, like basket making, bee keeping, and kitchen gardening during their stay.

We have successfully completed the Pan Africa e-network project for tele-medicine and tele-network covering 48 African countries. Five leading universities in India offered certificate, under graduate and post graduate programmes. Twelve super-speciality hospitals offered

consultations and Continuous Medical Education. Around seven thousand students have concluded their studies. We will soon launch the next phase.

We will soon successfully complete the Cotton Technical Assistance Programme for African Countries launched in 2012. The project was implemented in Benin, Burkina Faso, Chad, Malawi, Nigeria and Uganda.

Friends,

Africa-India trade has multiplied in the last fifteen years. It has doubled in the last five years to reach nearly seventy-two billion US dollars in 2014-15. India's commodity trade with Africa in 2015-16 was higher than our commodity trade with the United States of America.

India is also working with United States and Japan to support development in Africa. I gladly recall my detailed conversation with Prime Minister Abe during my visit to Tokyo. We discussed our commitment for enhancing growth prospects for all. In our joint declaration, we mentioned an Asia Africa Growth Corridor and proposed further conversations with our brothers and sisters from Africa.

Indian and Japanese research institutions have come up with a Vision Document. I congratulate RIS, ERIA and IDE-JETRO for their efforts in putting it together. This was done in consultation with think tanks from Africa. I understand the Vision Document would be presented at the Board meeting later. The idea is that India and Japan, with other willing partners, would explore joint initiatives in skills, health, infrastructure, manufacturing and connectivity.

Our partnership is not confined to Governments alone. India's private sector is at the forefront of driving this impetus. From 1996 to 2016, Africa accounted for nearly one-fifth of Indian overseas direct investments. India is the fifth largest country investing in the continent, with investments over the past twenty years amounting to fifty four billion dollars, creating jobs for Africans.

We are encouraged by the response of African countries to the International Solar Alliance initiative, which was launched at the UN Climate Change Conference in Paris in November 2015. The Alliance is conceived as a coalition of countries rich in solar resources, to address their special energy needs. I am happy to note that many African countries have extended their support to this initiative.

As a founder of the New Development Bank, popularly called the "BRICS bank", India has consistently supported establishment of a Regional Centre in South Africa. This will provide a platform to promote collaboration between NDB and other development partners including the African Development Bank.

India joined the African Development Fund in 1982 and the African Development Bank in 1983.

India has contributed to all of the Bank's General Capital Increases. For the most recent African Development Fund replenishment, India pledged twenty nine million dollars. We have contributed to the Highly Indebted Poor Countries and Multilateral Debt Reduction Initiatives.

On the sidelines of these Meetings, the Government of India is organising a Conference and Dialogue in partnership with the Confederation of Indian Industry. There is also an exhibition in association with the Federation of Indian Chambers of Commerce and Industry. The focus areas range from Agriculture to Innovation and start-ups and other themes.

The theme of this event is "Transforming Agriculture for wealth creation in Africa". This is an area where India and the Bank can fruitfully join hands. I have already mentioned the Cotton Technical Assistance Programme.

Here in India, I have launched an initiative to double farmers' incomes by 2022. It will require concerted steps, ranging from improved seeds and optimal inputs, to reduced crop losses and better marketing infrastructure. India is keen to learn from your experiences as we proceed on this initiative.

My African brothers and sisters,

Many of the challenges we face are the same: uplifting our farmers and the poor, empowering women, ensuring our rural communities have access to finance, building infrastructure. We have to do these within financial constraints. We have to maintain macro-economic stability so that inflation is controlled and our balance of payments is stable. There is much for us to gain by sharing our experiences on all these fronts. For example, in our push to a less-cash economy, we have learnt from the great strides that African countries like Kenya have made in the area of mobile banking.

I am happy to share that India has, in the last three years, improved on all macro-economic indicators. The fiscal deficit, balance of payments deficit, and inflation are down. The GDP growth rate, foreign exchange reserves and public capital investment are up. At the same time, we have made big strides in development.

Mr. President of the African Development Bank, it is reported that you have described our recent steps as text book chapters for other developing nations and called us a development beacon. While thanking you for these kind words, I am also glad to know that you have spent quite some time training in Hyderabad earlier. However, I must say that I remain focused on the many challenges ahead. In that context, I thought I could share with you some of the strategies we have used in the last 3 years.

By paying subsidies directly to the poor rather than indirectly through price concessions, we have achieved large fiscal savings. In cooking gas alone we have saved over 4 billion dollars in three years. In addition, I appealed to well-off citizens to voluntarily give up their gas subsidy. Under the 'Give it up' campaign, we promised the saving would be used to provide a

connection to a poor family. You will be surprised to know that over 10 million Indians volunteered to do so. Thanks to the savings, we have launched a programme to provide gas connections to 50 million poor families. More than 15 million connections have already been provided. This transforms the lives of rural women. It frees them from the health hazards of cooking with firewood. It also protects the environment and reduces pollution. This is an example of what I call 'reform to transform': a concerted set of actions which transform lives.

Some of the subsidised urea fertiliser intended for farmers used to get illegally diverted to non-agricultural uses, like production of chemicals. We introduced universal neem-coating of urea. This makes the fertiliser unsuitable for diversion. Not only have we got substantial financial savings but in addition, studies have shown that neem coating has improved the effectiveness of the fertiliser.

We are also providing our farmers with soil health cards which tell them the exact nature of their soil, and advise on the best mix of inputs. This promotes optimal use of inputs, and increases crop yield.

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.

There are two crucial factors which have helped us. The first set of changes is in the banking system. In the last 3 years, we have achieved universal banking. We launched the Jan Dhan Yojana or People's Money campaign under which over two hundred and eighty million bank accounts have been opened for the poor in urban and rural areas. Thanks to that initiative, virtually every Indian family has a bank account. Normally banks are associated with helping businesses and the rich. We have enlisted them for helping the poor in their quest for development. We have strengthened our state-owned banks by freeing them from political decisions and appointing professional chief executives on merit through a transparent selection process.

Our universal biometric identification system called Aadhaar has been the second crucial element. It prevents claiming of benefits by those who are not eligible. It enables us to ensure that those who deserve government aid receive it with ease, while excluding non-genuine claims.

Friends, let me conclude by wishing you a very successful and productive annual meeting. In the sports arena, India cannot compete with Africa in long distance running. But I can assure you that India will always stand with you, shoulder to shoulder, supporting you in the long and difficult race for a better future.

Excellencies! Ladies and Gentlemen! I now have great pleasure in officially declaring the Annual Meetings of the Board of Governors of the African Development Bank Group open.

Thank you!

**Ahmedabad, India**  
**23 May 2017**