

Agriculture as an Emerging Sector: Mutual Interests of India and Africa.

Dr. Suresh Kumar

AFRICAN REVIEW. APRIL 2011. IACCI. MUMBAI.

Introduction

Agriculture accounts for more than 25% of the GDP in most African countries and employs more than 70% of the workforce (**Challeng**
es to Agricultural Development in Africa. 2011

).
Africa
has approximately 783 million hectares of arable land (27% of the world total), which is adequate to effectively feed its population. However, the output is highly concentrated with Egypt and Nigeria accounting for approximately one-third of total agricultural output and the top 10 countries in the continent producing nearly 75%.

Africa
is the only region in the world where agricultural productivity has not grown noticeably. In fact, the Green Revolution, which enhanced agricultural growth in many Asian countries, is yet to take place in

Africa
(
Raising Agricultural Productivity in Africa. 2011

). The African agricultural sector has substantial potential to improve local economies and leave a lasting impact on the livelihood of its large populace. Increased agricultural output and income also has a multiplier effect on the economy because of its links with markets for the output of the manufacturing and services sector. Agriculture has been at the forefront of the recent transition in India-Africa relations. Various African nations perceive the success of the Green Revolution in

India
a role model. Moreover,

India
remains focused on capacity building, human resource development and the transfer of technology and skills as a key ingredient of its policy.

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Written by Administrator

Friday, 08 July 2011 05:15 - Last Updated Friday, 14 March 2014 08:13

The agro-industry in Africa needs farm mechanization that will facilitate increase in productivity. The production boost in agriculture is the only way to initiate the agro-industry in Africa

. It should be clear to all that once there will be surplus production of food in Africa, the agro-industry will get the input of raw materials to produce different food products and cater to the needs of urban as well as rural areas.

Approximately 80 Indian companies have collectively invested US\$2.3 billion in Ethiopia

,
Kenya

,
Madagascar

,
Senegal

and

Mozambique

(

Indian farming companies buying in Africa. 2011

). Some African countries are offering land on lease for 99 years to overseas farmers, and several farmers from Punjab in India have already migrated to these countries and begun farming (African nations offering land for free to Indian farmers,"

The Economic Times website

,
<http://economictimes.indiatimes.com/news/economy/agriculture/African-nations-offering-land-for-free-to-Indian-farmers/articleshow/6293149.cms>, accessed 28 January 2011). Close to 70 Indian companies are also in the process of entering the farming sector in the region (

Indian companies get into commercial farming in Africa. 2011

). A leading integrated tea company based in India

acquired Uganda-based Rwenzori Tea Investments for US\$25 million in December 2009. In recent times, Indian companies have also started investing in agri value-added products. An India-based business house leased a 50-acre model dairy farm in

Uganda

in 2006 (

RJ Corp charts mega plans to venture into virgin Africa

.

2011

). An Indian company specializing in textiles recently opened a spinning mill in Burkina Faso

(

Indian business groups are investing heavily in Africa

. 2011). Such investments are expected to generate local employment as well as create opportunities for local skill development.

Agro-industry sector of India-Africa traction in agriculture is welcome and discussed in detail further.

'Today, national development issues incorporate agriculture sector as prerequisite to country's progress and prosperity in Africa. Indo-Africa is pursuing mutual cooperation under the theme of

'Today's Investment-Tomorrow's Prosperity. The development and mutual partnership covers self-reliance schemes avoiding huge debt as a result of this brotherhood. Indo-Africa partnership policy persuades African willingness and mutual benefit to implement the common development partnership programmes in different parts of continent. African government's national development Programme cannot function in isolation.

Africa needs a mutual cooperation and development programme from outside world and Indian mutual economic brotherhood and political understanding

kick out all western propoganda about India

's policy of New Colonialism in Africa

. The idea of today's investment will nourish a debt free Africa

and strengthen economic development as tomorrow's prosperity. African politics cannot ignore international relations to build up national development and this partnership is a way towards Today's investment, Tomorrow's Prosperity' (

Suresh Kumar.2008

).

1. Agro-industry of Fish and Fish Farming Industry

India and Africa needs an effective approach to ensure food security, eradicating poverty, improve people's livelihood, subsistence agriculture, fisheries and other animal resources and work for self-reliant. Both may work for sustainable development of fisheries and animal resources with necessary support of scientific research for conservation of land and environment. Fish cultivation on ground as an alternate source of food may increase many folds depending upon its natural feeding (such as *Carp Larvae*). One reinvigorates that pond and river fish cultivation using these larvae will add nutrient in food production barring use of chemical and other chemical food nutrients on the one hand and safeguards environment biodiversity on the other hand.

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India plays vital role in international as well as regional cooperation developing fisheries and other sea resources as an alternate source of food and maintains sea-diversity as part of environment conservatism. India as a regional partner is assisting Myanmar in the exercise of their delineation of their continental shelf. The Ministry of Earth Sciences (MoES) shares program on 'Oceanology & Geo-hydrates' under Integrated Programs (ILTP) with Russia

(**Annual Report : 139-40**

). Similarly, Indian National Centre for Ocean Information Services (INCOIS) is developing capability of processing the availability of fish stocks, ocean state, etc. for societal and economic benefits. It identifies the potential fishing zone that beneficial to fisherman increasing their profit. The government protects this sector from natural calamities and developed Early Warning System for Tsunami has been set up in Hyderabad

,
India

. It may further coordinate with African coastal countries. India-Africa may share this technology averting natural killer Tsunami under mutual understanding and cooperation.

Africa and India may share their experiences and produce policy analysis, cooperation in water management, agro-infrastructure, capacity building and enhancing market opportunities for each other's value added agriculture and fisheries products under global partnership, which will reinforce socio-economic transformation.

The water resources of Indian Ocean in Southern Africa, Red Sea in North-east Africa, Mediter

ranean Sea

in
North Africa

and

Atlantic Ocean

in

West Africa

and lakes & rivers of different African countries provide vast potential in fish and fish farming investment and business linkages opportunities such as:

· Southern Africa produces about tons of marine fish annually. Kenya, Tanzania, Mozambique and

South Africa

have the potential to produce fisheries for the local population as well as for the global world.

- Kenya has only one tuna fish factory producing cooked frozen tuna loins for further processing in EU countries. Investment in premium fishes such as Nile Perch (Uganda), Tuna fish (Kenya

,
Djibouti
and
Eritrea

) and value added fish products such as canned fish, fish sausages, fish soups, and fish fingers could be processed for regional as well as premium export markets.

- Similarly, the investment in low cost species such as tilapia and Hapochromis (Uganda), King and Queen fish (Eritrea), etc. for the local and regional market and Aquaculture development of stock fish, farming of premium species such as eel and cage fish farming and other marine resources are potentially profitable ventures.

- The technology of deep sea fishing, prawn and trout farming are not available in African countries and there is vast unexploited potential investment in deep sea fishing logistics, including technical support. Fish processing opportunities exist in (filleting and fishmeal production) as well as fisheries-support infrastructure (refrigerated transport, cold storage, etc.).

- Local and regional cold distribution chain to minimize the loss of fish products and deterioration.

2. Livestock Agro-Industry

The livestock development (Cow, Goat, Sheep, Chicken, Ducks, Pig, etc) strategy focuses on establishing an efficient livestock disease control system based on cost recovery; achieving self-reliant in meat, milk, poultry and other livestock products. It promotes and develops industrial linkages for livestock products including dairy, leather and meat processing, encouraging the export of livestock and livestock products, and strengthening research in

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livestock breeding in order to upgrade the quality and productivity of the present livestock breeds. The business opportunities include:

- Local commercial dairy breeding and production of semen to reduce on the importation of heifers.

- Vaccine development and forge production.

- Animal feeds production and processing.

- Integrated beef production and feedlot finishing.

- Most hides and skins are processed up to the wet blue stage for export. There is big investment opportunities available in processing & production of finished leather, leather manufacture industries (shoe, bag, purse, valet, belt, jackets and other) and distribution chains (through retail shops) in different parts of countries in Africa.

- Game ranching.

- Animal breeding and establishment of modern abattoirs.

- Local and regional cold distribution chain to minimize the degradation of meat and meat products.

3. Dairy and dairy Product Sector

This sector develops, promotes and controls production, processing and marketing of milk and dairy products as well as the general facilitation and development of the Dairy industry. It has the potential of export-oriented processing of quality milk. There is a potential in investing in processing milk into powder for local markets and exports. There is untapped potential in goat milk processing and camel milk processing for Europe and Middle East countries. The opening of milk plants through Indian investments will provide the low cost/affordable technologies and equipment for small scale processing and opportunities for improvement in technology infrastructure such as packing, storage and refrigerator transportation. The investment opportunities in this sector are:

- Establishment of reliable collection centers in the major producing areas and transportation of milk to the processing plants.

- Establishment of more processing plants to cater for the excess production.

- Production of powdered milk for use in ice-cream manufacturing confectioneries and homes.

- Production of long life (UHT) milk supplying to the UN Peace Keeping Forces, people suffering from natural calamities and in other emergent situations.

- Processing of butter, cheese, butter oil, ice-cream and yogurt.

- Local commercial dairy breeding and production of Semen reduce in the importation of heifers.

- Local and regional cold distribution chain to minimize production loss and deterioration.

4. Agro-Industry of Organic Farming

Africa has ample land that needs to be developed for the agriculture purposes. Indian investors provide agriculture mechanization such as seed cum fertilizer drill facilitates seed saving, saving in fertilizer, enhancement in cropping intensity and increase in gross income and return to farmer in Africa.

The private sector of India

(Karturi and other Companies) has started the investment in agriculture sector and developing organic farming and other as part of agro-industry.

The organic farming deals with the different sub-sectors such as:

A. Agro-Industry of Fruit and Vegetable

The investment opportunities (as per the physical condition of the region) in this sector are:

- There is huge investment opportunity on cracking, grinding, roasting and packaging cashew and other nuts.
- There is also considerable potential for the processing of cocoa and manufacturing the chocolate and confectionery products for regional market and export.
- Use of Indian technology and start production of Edible and other oils by using sunflower, rapeseed, cottonseed, sesame, coconut and corn seeds. West Africa is known for the production of palm oil and it is the right time to introduce the scientific technology that will facilitate the low cost production of oil.
- There is a high production of oil seeds in Eastern Africa and there is a potential for more production. Investors have the opportunity to set up the edible oil industries catering local as

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well as regional needs.

- There is high potential and production of varieties of fruits as mangoes, pineapples, oranges, passion fruits, bananas, and avocados to cater the supply at regional as well as export market. It opens the processing of fruits at local level and there is an open investment opportunity for processing of fruits for the production of juices, fruit jelly, fruit jams and other.

- Production and export of de-hydrated fruits.

- Investment in cold storage facilities at collecting points.

- Organic farming of fruits and vegetables.

- Packaging of vegetables and fruits for exports.

- Opportunity for local manufacturing of attractive packaging for fruits and vegetable.

- Irrigation schemes for commercial farm to ensure harvests throughout the year.

B. Agro-Industry of Floriculture

This agro-industry is a big source of export income in Africa. Indian investors are investing in this sector and are getting good responses from the local people in Africa

. It persuades the Indian investors to produce the cereals using scientific technology for local consumption along with floriculture. The opportunities exist in this sector such as:

- North-Eastern Africa (Kenya, Ethiopia, Uganda and Tanzania) has seen phenomenal growth in the production and export of cut flowers. The export markets focuses on European Union countries such as Germany, Netherlands

- United Kingdom

- Sweden

- Italy

- Switzerland and France

-

- The investment in pre-cooling and cold storage will facilitate exporters in maintaining the high standards of their produce for export as required by the market.

- Packaging of flowers for exports.

C. Agro-Industry of Sericulture

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There is a huge export market too for silk cloth and garments. Sericulture and silk production have an enormous potential in Africa provided it is made available to rural people, especially women, and its marketing is organized independently. It can serve as an excellent mode for employment generation and augmentation of income. Indian investors will provide latest technological inputs to primary producers by evolving and establishing new systems of organizing production and marketing. Silkworms feed on mulberry leaves. Hence the rearing of silkworms involves cultivation of mulberry trees, which provide a regular supply of leaves. Worms are introduced through DFLs (Disease Free Laying, i.e. eggs) procured from a quality centre (called grainage).

The African farmers should promote bulk of mulberry cultivation along side their agriculture field. Even the small farmers of less than 4 acres land usually in clusters of 300-400 will initiate the production of sericulture. Investment in mechanization in silkworm rearing operations is needed to cut down on production costs. Small machines for such operations such as leaf chopping, harvesting and def-loosing of cocoons are necessary. Africa has very little knowledge on wild silkworm rearing technology. Indian investors will promote the training to the local people in this field. Investment opportunities that would also trigger increased production are mainly in:

- Cocoon post harvesting and processing equipments.

- Multi-end silk reeling machine.

- Spindle spinning machine.

- Cocoon boiling machine.

- Warping machine.

- Power and hand looms.

- Cocoon dryers.
- Cocoon and raw silk testing equipment.
- The Product development will initiate the development of beauty products, processing & packaging of mulberry green tea and powder and natural dyes technology.

5. Agro-Industry of Food and Beverages Sector

The agriculture system in Africa is based on the traditional method of farming that feeds the rural community only one square meal to the entire family. As a result, the rural population is migrating in search of employment to the urban centres and surviving. This initiative of production improvement needs agricultural tractors and combines machinery for the use of more arable land and improvement in production. The growth in agro-industry products will be an additional source of income for the agriculturalist in Africa.

The food and beverage sector provides opportunities in:

- Value addition to a variety of agricultural produce locally available.
- Planting and processing of coffee, production in instant coffee particularly in Uganda, Kenya and Ethiopia.
- Breweries and distilleries of alcoholic beverages.

- Soft drink and packed fruit drinks manufacture.
- Commercial farming and processing of sugar, corn flakes, gram flakes, etc.
- Establishment of fast food restaurants of international chains/brands.
- Different Pickles manufacture for European, American & Middle East Market.
- Local and regional cold distribution chain to minimize the deterioration of products.

6. Agriculture Engineering

India produce agricultural tractors, mould board plough, disc plough, sub-soiler as primary tillage, spring loaded tillers, harrow, leveller, bund former, scraper, rotary tiller as secondary tillage, back hoe with tractor, laser grader, graders, scrapers with tractors as earth moving equipments. Escorts, Sonalika, Eischer, HMT, International Tractors, Mahendra & Mahendra, etc. are the largest producers of Agricultural equipments in India. Along with it, India produce

so

wing machinery

such as post hole digger, paddy planter, seed drill for cotton seed, seed cum fertilizer drill, potato planter and multi row vegetables planters,

irrigation systems

such as sprinkler systems, drip system, irrigation pumps like centrifugal pumps, stationary diesel engine driven centrifugal pumps, engine set, electric pumps and submersible pumps,

sowing & harvesting machinery

such as maize combine, sugar cane combine, mowers, paddy combine, reaper, wheat combine, fruits harvester, onion harvester, potato digger, cotton picker and

post harvest machinery

like bailer, tipping trailer, sugar cane grabber, trailer, thresher and maize Sheller (

Improving Farm: emphasis mine

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). This agricultural mechanization will enhance the production as the land in Africa is naturally highly fertile. There are different agro-industries that may be promoted in Africa, which will give value addition for their products such as:

- Mechanization of rice production by use of rotivators, trans-planters and cultivation equipment.

- Farmer associations and private entrepreneurs will be encouraged to install Pass and Mobile rice mills.

- Investment opportunities exist in seed production, manufacture of sprayers and pesticides, veterinary services, construction of cold storage facilities and refrigerated transport for horticultural and other perishable products.

- Industrial units for manufacturing tractors.

- Industrial units for manufacturing pump-sets for irrigation.

- Industrial units for the manufacturing of agro-food products.

- Small Industrial units for Agro-chemicals (fertilizers and pesticides).

- Industrial units for manufacture of textile (Cotton fabrics, garment manufacturing, yarn).

Case Studies of Individual African countries (Agriculture Investment)

1. Botswana

India and Botswana agriculture, livestock and human resources development cooperation started in 1999. Indian seeds (Maize and Paddy rice) have been sent to this country for experimentation. A project for import of Indian Buffalos to this country has been set up. The farmer's project has been finalized and since 29th October 1999 six

farmers from

Punjab

have landed to this country in view of realizing this project. "The tender for the purchase of Indian tractors at large scale is under process." The cotton from

Burkina Faso

exports to

India

. Today, many trainees from

Burkina Faso

are coming to

India

for training in computer education, diplomacy, telecommunications, etc.

Botswana

is looking forward to setting up units of production of commercial farming such as fruits, vegetables, Arabic gum and cotton.

Livestock occupies an important place in the economy of Burkina Faso in West Africa. The opportunity in this sector is the setting up of:

- Small industrial units for milk processing (dairy plants) breweries.

- Small industrial units for production of animal feeds.

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- Small industrial units of veterinary pharmaceutical products.

- Meat processing.

- Small units for leather.

- Cattle rearing-ranching and poultry.

2. Burkina Faso

It is a member of the West African Economic and Monetary Union (WAEMU) and share a common currency i.e. CFA franc and have set up a full custom union since 2000. WAEMU comprises Burkina Faso, Benin, Cote d'Ivoire, Guinea Bissau, Mali, Niger, Senegal and Togo having same custom duty tariff. The volume of Indo-Burkina Faso trade has increased by 30% in 2002-03.

India

imports 66% of cotton yarn produced by FIL

SAH

, one of the major producers in the country.

Burkina Faso

exports cotton, animal skins, and leather and cashew nuts to

India

and imports Agro-machinery (tractors and farm implements), Rice, small and medium scale industries (e.g. oil processing) from

India

.

Burkina Faso guarantees the foreign investors such as:

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- Right of full business awareness for foreign investors.
- Right to acquire real estate, land, forested land, industrial areas in addition to concession from government.
- Right to transfer capital and profits of any investor.
- The advantages of investing in this country are:
 - A possibility of Joint Venture with Burkina Faso business community.
 - Low cost of labour.
 - Good infrastructure (telecommunication, roads, railways and airport) and services.
 - Strategic position in the heart of West Africa.

Burkina Faso is second largest producer of cotton in West Africa and ranks third in entire Africa.

Agriculture plays a key role in this country's economy, it accounts for over 40% of the country's GDP

, 80% of export revenue and 85% of employment." 11 The government gives priority in twelve fields for investment in cotton, cereals, fruits & vegetables, oil seeds, skin and leather, meat, milk, chemical products, fertilizers and pesticides. The agriculture investment exists in the following sectors:

- Industrial units of manufacturing tractors.

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- Industrial units of manufacturing pump sets for irrigation.
- Industrial units of manufacturing agro-food products.
- Small Industrial units for agro-chemicals (fertilizers and pesticides).
- Industrial units of manufacturing textiles (Cotton fabrics, garment production and yarn).
- Setting up commercial farming units (fruit, vegetables, Arabic gum and cotton).

Live Stock Production in Burkina Faso

It is having more than 20 million livestock comprising bovines, aprons, ovins, pigs, mules and poultry. The production of fish is around 10,000 tones per year mainly for the local market.

- Small Industrial units for milk processing (dairy plants).
- Small Industrial units for production of animal fats.
- Small Industrial units for veterinary pharmaceutical production.

- Meat processing.
- Small units for leather
- Cattle rearing-ranching and poultry.

3. Ethiopia

The country has 111 million hectare of land out of which 74 million is suitable for agriculture. However due to underdevelopment only 15 million hectare is under cultivation. The government offers about 3 million hectare (5% of the available land) to local and foreign investors. The prominent investor 'Sheikh Mohamad Al-Amoudi currently leases 10,000 hectares for a pilot project for rice production in Gambella Regional State. Under the agreement his company will be allowed to export no more than 60% of its production and 40% will be for local consumption. He is currently looking to increase the investment to US\$450 million and expand the area for cultivation' (

**Developme
nt or Exploitation.2011:1-2**

). The government of Ethiopia

has welcomed the recommendation of the author.

"It is estimated that the use of 15 percent of the total land in Africa

is sufficient for the domestic consumption including having food stock for the emergency. Indian investors are buying land in Africa

for agricultural purposes. The sharing of the total produce should be in the ratio of 70:30, where 70 percent should be reserved for the export & industry and only 30 percent should be used for domestic consumption. This ratio may vary from 70:30, 75:25, 85:15 and so on depending on particular country's land fertility and the requirements of the total population of the country concerned. The recommendation to put this ratio is that most of the African states do not have the advance cold storage facility to keep the food grains presently on the one hand and the lower ratio is sufficient to cater population of a country on the other hand" (

Dr. Suresh Kumar. 2010

). Similarly, Karturi,

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a Bengaluru-based company of India

set up greenhouses on 25 acres of land in

Ethiopia

in 2004 for rose cultivation. The company was able to utilize its African operations strategically to improve the export of roses to

Europe

and has now emerged as one of the largest producers of cut roses in the world. The company is now exploring the option of growing crops such as maize and vegetable crops in the continent.

The INR 5.5-billion company has 672 acres of land under floriculture in

Africa

, along with a land bank of 311,000 hectares in

Ethiopia

.

4. Ghana

Ghana is searching for an investment location and offer opportunities in:

- Agriculture (Cassava, Cotton, Sugarcane, Soya Beans, Oil Palm, Pineapples, etc.)
- Agro-processing (Cocoa, Fruits, Vegetables, etc.)
- General Infrastructure (Agricultural and Industrial Estates, Roads, Railways and Ports).
- Fisheries.

The government gives incentives in tax rebates for manufacturing in certain locations, tax

holders, ranging from 5 to 10 years depending on sectors, custom import duty exemption for plant machinery, equipment and parts thereof and double taxation agreements (**Dr. Suresh Kumar.2008**).

5. Kenya

Agriculture is the mainstay of the economy, providing livelihood to approximately 75 per cent of the population. There is considerable scope for diversification and expansion of the agricultural sector through accelerated food crop production and increase of non-traditional exports. There are also opportunities for improvement in technological infrastructure such as packaging, storage, and transportation. Intensified irrigation and additional value added processing are marketable areas for investments. Opportunities exist in production and export of products such as cut-flowers, French beans, pineapples, mangoes and other fruits, cereals, leather and leather products, canned beef, and honey farm machinery and other products.

The vision for agriculture sector is to be innovative, commercially oriented and modern, offering the following investment opportunities in Sugarcane development, Value Addition and Marketing infrastructure. This will involve the following wholesale projects; two wholesale markets for fresh produce in Nairobi, a wholesale market in Nakuru and a wholesale market in Mombasa. Along with it, the Livestock production is one of the major activities in the sector like Dairy industry and Hides, Skins and Leather industries. The fisheries sector plays an important role in the national economy contributing 0.5% to GDP

in 2006. The areas for Private Sector Investment are value addition in fisheries products, Certified fish seed breeding facilities to avail quality seed to fish farmers, Investment in Tropical Aquaria parks for local and overseas tourism, Fish leather industry and Cooling plants in major landing bays of Mbita, Sindo, Sori, Sio port, Usage and Port Victoria. The water sector offers good investment opportunities in Water Storage and Drilling: Capacity Building of National Water Conservation and Pipeline Corporation and Mzima II Pipeline Project (Kenya.2011. A Hub for Investment:1-4).

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Kenya has recently seen phenomenal growth in the production and export of cut flowers. Its ideal tropical and temperate climatic conditions make it favorable for flower production. The major flower varieties grown and exported from Kenya are roses, carnations, statice, cutfoliage, carthhamus, solidaster/solidago, chrysanthemus, arabicum, trelizia, rudbeckia, gypsophilia, lilies, molucella, erynngium and tuberoses.

Some cut flowers are also sold locally, mainly in the urban centres of Nairobi and Mombasa by street vendors and floriculture shops in shopping centres. Main export markets for cut flowers from

Kenya

is the European Union, in particular

Germany

,
Netherlands

,
United Kingdom

,
Sweden

,
Italy

,
Switzerland

and

France

. Along with it, the investment opportunities in the Cashew nut production and processing for exports in Kilifi, Fruit production & processing in Malindi, Sugarcane production in Ramisi area, Bixa production and processing for food pigment and colouring, Gum Arabic and gum resins development programmes, Fish processing Plants and other Sea food for export and Fertilizer production (

Kenya in the Front Line

.
2010:26).

6. Togo

Le Parc des Expositions "TOGO 2000" of Lome will host the 9th International Trade Fair of

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Lome from 25

th November to 12

December 2011 focuses on promotion of trade and services of all sectors of economic activities of countries in the sub-region as well as those of the other continents and contacts between professionals for the development of sub-regional and intercontinental commercial activities.

This fair of

Lome

is opened to economic operators (manufacturers, industrialists, traders, businessmen /women and service providers) from

Togo

,
Africa

,
Europe

,
Asia
and
America

.

7. Mauritius

The agricultural sector in Mauritius is being re-engineered to cater for the arising needs of the global food security crisis with an increased diversification of agricultural production backed by modern techniques and technologies.

Investment opportunities in the sector can be captured in advanced agricultural technology including precision farming, hydroponic cultivation, green and organic farming among others.

Furthermore, the transformation of the sugar industry in the sugarcane clusters present opportunities for the production of high value-added sugar, by products and energy.

Seafood and Aquaculture Based on a current world per capita consumption of 16 kg., the global seafood market is estimated at USD 100 billion per year.

Mauritius

Ma

uritius has an exclusive economic zone of 1.9 million sq. km and is set to emerge as a leading seafood hub with seafood export accounting for 16.1% of total exports in 2009.

Mauritius

also offers the opportunity for sustainable fish farming activities in its lagoon.

Furthermore local companies are also involved in fish transshipment, seafood processing

activities and ancillary services (

Mauritius

.2011:23).

8. Mozambique

The Mozambican production and its presentation on global markets require a new approach in the packaging sector, to create conditions for the country to compete in an international market, where rules are constantly changing and consumer demands rise continuously. So far, Mozambique has a poorly developed packaging industry which is largely oriented towards the satisfaction of basic needs for the fabrication of domestic consumer goods and a few export products. The MOZNEGOCIOS-International Packaging and Packaging Equipment Trade Fair 2-10 June 2011 is a public event with international scope that involves producers, suppliers and consumers of the packaging industry from Mozambique and other countries.

In this second edition, the MOZNEGOCIOS fair will bring together companies of the packaging sector and agro-processing enterprises (

IPEME.2011

:1-4).

The general purpose of investment refers to the 'promotion and enhancement of packaging sector in Mozambique and improves the quality and quantity of products offered by Micro, Small and Medium Enterprises (MSMEs). The specific objectives of investment highlights are:

- Identify national as well as foreign producers and distributors of packaging equipment;
- Identify national suppliers of packaging, design services, printing and package recycling;

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- Identify consumers and potential consumers of national packaging;
- Attract domestic and foreign investment in the sectors of agro-processing and packaging
- Improve the provision of services related to agro-processing and packaging
- Establish a connection between the producing entrepreneurs, suppliers, distributors and consumers (Micro, Small and Medium Enterprises) of packaging (**IPEME.2011**:1-4).

The specific objectives of investment in Mozambique requires:

- Companies that produce equipment/machinery for packaging
- Companies that produce and distribute packaging
- Companies that design labels and the related packaging
- Companies that use recycled products resulting from packaging
- MSME's that wish to improve and/or expand their businesses
- Scholars that wish to assess market trends of agro-processing equipment and packaging

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- Agricultural associations

- Printing companies that produce labels

- Companies linked to the agricultural or agro-processing sector.

The wide diversity of soil types and climatic conditions, access to over 60 rivers and 36 million hectares of arable land greatly enhance Mozambique's potential as an agricultural exporter. The main agricultural exports include cashew nuts, cotton, sugarcane, a variety of fruits and vegetables and tobacco, but virtually any crop can grown easily in Mozambique – and harvesting can occur months before other countries.

The rich waters in the Indian Ocean

offer a variety of seafood products from world famous tiger prawns to crayfish to langoustine – as well as a variety of fish such as tuna, grouper and cod.

Mozambique

also has 19 million hectares of productive woodland, rich in tropical hardwood and to a lesser extent eucalyptus and pine.

The natural potential of the sector offers a wide range of opportunities for timber, construction materials, furniture, wood products and pulp (Institute of Export Promotion Mozambique. 2011:7).

Mozambique offers some of the best shipping ports in Southern Africa, serving as a link to the sea for its landlocked neighbours and the rest of the world.

The three main ports in

Mozambique

are in

Maputo

,

Beira

and Nacala.

The port at

Maputo

is the hub the surrounding fishing and agricultural industries serving

South Africa

,

Swaziland
and
Zimbabwe

.
The ports in
Beira
and Nacala serve
Malawi

,
Zambia
and
Zimbabwe

.
Beira
is linked to by road and rail to the African hinterland.
The recently modernized ports in
Mozambique
enable them to handle millions of tons of cargo arriving from and departing to distant
international destinations (Institute of Export Promotion Mozambique. 2011:8).

9. Nigeria

In 2009, the Federal Government introduced the National Food Security Programme in Nigeria to focus on both upstream and downstream activities such as production, storage, processing and the marketing of crops, livestock and fisheries (Programme on Food Processing, Storage, Marketing Out. 2009).

10. Uganda

Uganda is east Africa's food basket. 'A KES1-billion food processing plant was commissioned

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at Makerere University's Faculty of Food Science and Technology in Uganda in 2009. The fruit and vegetable processing plant, scheduled to operate on a pilot basis, will help the department produce fruit juice and other foodstuffs for sale as well as train students to become entrepreneurs and agro-processors' (

Food Processing Plant Launched. 2009

). Similarly, Britania Allied Industries, a consortium of food processing firms, plans to invest KES11 billion for the construction of a fruit juice-processing plant in Namanve

,
Uganda

Possible investment opportunities are in production of instant coffee, extraction of vegetable and essential oils, packaging of beans, alcoholic beverages, soft drink manufacture, processing of sugar and fast food restaurants. Uganda needs US \$ 15-30 million investment requirement to expand rose industry depending on wooden or metallic infrastructure. All the roses' projects send soil samples to Holland for analysis. The cost of the services (US \$ 200-600/ha) justifies the establishment of a soil analysis laboratory and services in Uganda. Greenhouse plastics constitute 6% of the investment requirement and need to be replaced every 2-3 years, providing commercial opportunities for local manufacturers. Fertilizers, herbicides, pesticides currently imported.

Ugandan flowers have managed to mark their presence in the world for a, claiming a fifth position in Africa's largest exporter of cut flowers. Indian investor may look forward for mutual trade.

Uganda is mainly an agricultural country with over 80% of the population relying on agriculture for its livelihood. The linkage potential in the plantation and agro-industry includes:

- Outsourcing the field operations including seed-bed preparation.
- Supply of produce to processors.

- Maintenance of machinery.

The most important market for Uganda's fruits and vegetables is European Union. In 2005, EU imports of fresh vegetables amounted to Euro 9.8 billion and 10.5 million tones.

Uganda

is capable of producing most of the tropical and sub-tropical, or even temperate fruits and possible investment and business linkage opportunities.

Uganda

livestock production contributes 17% and 9% to agriculture sector.

Several firms in Uganda are involved in production of fish fillets for export, the annual quota of 60,000 metric tons of processed fish, has never been met. In addition, the local market is expanding. Entry into this sub-sector is viable and there are possibilities of joint ventures with existing fish processing firms. Dry/smoked fish is mainly for the domestic market but also for exports into the regional market.

11. Senegal

Fishing is a significant sector of the economy, but agriculture is Senegal's principal resource accounting for almost 50% of the country's total exports. Peanuts are the main commodity produced in the country, but attempts have been made to diversify into others, particularly cotton, the second largest export commodity, millet, sugar cane, fruit and vegetables. Phosphate is the most important mineral resource, although there are also significant iron ore deposits as well as oil.

India

facilitated

Senegal

agriculture sector on lines of credit such as:

- '15 million USD for acquisition of agricultural material and the creation of rural enterprises.

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- 27 million USD for irrigation projects with a view to achieve rice self sufficiency.

Agriculture sector comprises of 70% of Senegalese population is central to the country's development. India put at the disposal of 510 tractors, equipment for tilling, carts, drilling machines, pumps, trucks and maize processing and enriching equipment under Indo-Senegalese cooperation. Senegal government and Indian Farmers Fertilizer Co-operative Limited (IFFCO) signed an agreement of about \$240 million. There are export opportunities in the agri-business sector, with the AGOA visa in:

- Floriculture
- Fruit Cultivation
- Market Gardening
- Thousands of hectares of Cashew nut plantation
- Diversification of the industrial processing of groundnut.
- Fish Cultivation
- Support to the development of horticultural exports.
- Improvement of the condition of market operation.
- Support to agri-business producers and operators for a better adaptation of products to the

market.

- Development of private irrigation and land-related activities' (**Dr. Suresh Kumar.2008**).

Senegal is dependent on import rice that reached 400,000 tones of CFA Francs 118 billion for 2003. As an alternative, the Senegal government offers investment opportunities in this sector particularly in Senegal River Valley region.

Senegal

has become a leading exporter of cherry tomatoes, fine green beans, basil, green asparagus, onions, potatoes and aborigines (

Dr. Suresh Kumar.2008

).

12. Zimbabwe

The agriculture sector remains under-capitalized with insufficient inputs and infrastructure. The Capitalization of commercial farming enterprises includes meat processing, poultry and fish farming, juice extraction, horticulture, floriculture and cotton-processing Infrastructure development and refurbishment, as well as investment in value-adding processing of agricultural equipment (**Zimbabwe Investment. 2010-15**).

13. Zanzibar

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Zanzibar, part of United Republic of Tanzania offers investment opportunities in:

Agriculture

- Horticulture and Floriculture.
- Agro-processing.
- Fruit processing and Canning.

Fisheries

There is a potential for development of various types of fish, shrimps, lobsters, seaweed and other marine resources. Investors are free to choose suitable areas for:

- Deep sea fishing.
- Fish Farming
- Processing and Canning

Zanzibar is known as the Spice Islands. The investment opportunities in spices include:

- Cloves,

- Cinnamon, Cardamom, nutmeg, black pepper, chillies, etc.

Conclusion

India has launched special scholarships for African students in the field of agriculture to provide support to the Nyerere Programme of the AU. Under the program, '25 seats are offered to students for pursuing a doctoral degree with the GoI. The program, which provides each student with a stipend of INR15,000 per month, offers 50 students the opportunity to pursue Masters' degree programs in India, with a stipend of INR12,000 per month from the Government of India' (**EXIM BANK.2011: 19**).

India has had a long history of ties with Africa and played its role as Non-aligned leader in the liberation of African countries. The Delhi Declaration 2008 has provided an alternative to African countries either to choose the existing partners (European and China) or work as partner with India

· India-Africa needs to build their capacity to use them as functional leaders, enjoy more responsibility and produce scientific educated younger and future generations. This partnership will help to strengthen African countries development and their collaboration with the Indian partner works for Self-reliant development.

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