



President Kovind's Visit to Zambia: An Appraisal of the Relationship

*Dr Nivedita Ray **

President Ram Nath Kovind undertook a three day State visit to Zambia from 10-12 April 2018 at the invitation of Mr. Edgar Chagwa Lungu, President of the Republic of Zambia. It was the final leg of his three-nation tour to Africa, which started with Equatorial Guinea on 7th April 2018, followed by Swaziland and then Zambia. The visit was significant as it aimed to cement the existing ties and open up new avenues of cooperation.

India and Zambia have nurtured a historically cordial relationship, which has deepened and diversified under the India-Africa Forum Summit process initiated in the year 2008. Political exchanges and dialogues at the highest level have played a key role in building this relationship. Prime Minister Indira Gandhi had visited Zambia thrice, 1970, 1976 and 1980. Later President V V Giri and N Sanjeeva Reddy visited in 1974 and 1981 respectively; in 1989 Prime Minister Rajiv Gandhi and President R Venkataraman visited Zambia. Since then no high level visit had taken place to Zambia.¹ President Kovind's visit coming after a hiatus of 29 years marked a new era of cooperation and an important step in renewing the relationship, which is considered to be one of India's strongest relationships in Africa.

This brief examines the outcome of the visit in the context of the evolving bilateral relationship.

Major Highlights of the Visit:

President Kovind was very warmly received at the Kenneth Kaunda International Airport by President Edgar Chagwa Lungu. During his three day visit President Kovind had bilateral meetings with President Lungu where they had wide ranging discussions on bilateral and global issues. They reaffirmed their mutual desire to enhance cooperation in economic, commercial, technical, educational and cultural field and discussed to revive the Joint Permanent Commission

meetings, which was last held in New Delhi in 2005. The next session is supposed to be hosted by Zambia.¹

President Lungu expressed his gratitude for India's support and commitment to development partnership with Zambiaⁱⁱ in the fields of energy, health, infrastructure, capacity building, agriculture, trade and investment.

President Kovind paid his tributes to three former Presidents of Zambia – Frederick Chiluba, Levy Mwanawasa and Micheal Sata at the Embassy Park Presidential Memorial in Lusaka and paid a courtesy call on the First Republican President Dr Kenneth Kaunda, a much respected figure in Zambia, who was awarded the Jawaharlal Nehru Award for international understanding. He has a special attachment to India, and has visited India more than ten times beginning in 1967. During his interaction with Dr Kaunda the Indian President praised him for instilling values of love, unity and oneness, which helped Zambia sustain warm relations with other countries, including India.ⁱⁱⁱ The Indian President also addressed the Zambia-India Business Forum as well as the Indian Community; and also witnessed the Ground Breaking of the Lusaka City Road Decongestion project in Makeni.

Four Memoranda of Understanding (MOUs) were signed to further strengthen the relationship. The agreements include double taxation avoidance to further boost economic cooperation; visa exemption on diplomatic and official passports; judicial cooperation which would result in long term and short term training in law and justice developments; and the establishment of Entrepreneurship Development Institute in Zambia to foster new ideas, enterprises and start-ups in the country, confirming to Zambia's Vision 2030 to develop entrepreneurship.

Issues in Focus:

The issues that remained high on agenda during the visit were enhancing trade and investment ties, expanding cooperation in capacity building, defence, education, health, and energy and hospitality sector.

Enhancing Trade and Investment

During the bilateral talks as well as while addressing the Indian Business community President Kovind and President Lungu stressed on the need to further enhance bilateral trade and investment linkages. They both recognized that bilateral trade remains below potential, despite the energy and dynamism the economic relations has acquired over the last few years., India-Zambia bilateral trade has grown steadily over the years with total trade having touched US\$1.2 billion from April 2017 to January 2018. The balance of trade has remained in favour of Zambia. In the year 2016-17 India's export stood at US\$ 237.21million while imports at US\$ 743, 90 million. For India, Zambia has been an important import destination to source copper, as the latter is the second largest producer of copper in the world and produces nearly 5% of the entire world copper production. Indian imports items mainly include ores (copper and cobalt), semi-precious stones, non-ferrous metals and raw cotton, while exports items include pharmaceuticals, transport equipment, plastics, and chemicals.^{iv}

¹ Rainbow, April 2011, <http://rainbownewszambia.com/2018/04/11/edgar-chagwa-lungu-courts-indias-ram-nath-kovind/>

In terms of investments, India is one of the top investors in Zambia with investments over US\$ 5 billion. The investments are mostly in the mining sector. About US\$ 3 billion investment has been done by Vedanta in Konkola Copper Mines, Taurian Manganese Ltd has invested US\$ 300 million in construction of manganese processing plant in Serenje district in Central Province and Nava Bharat Singapore Limited, a subsidiary of Nava Bharat Ventures Ltd. Hyderabad, has purchased 65% equity shares in Mamba Collieries Ltd with investment of US\$ 108 million and has set up a 330 megawatts thermal plant. Other sectors where Indian companies have invested are banking, telecom, pharmaceuticals and real estate. The investments include India Zambia Bank, a joint venture between Government of Zambia and three Indian public sector banks i.e. Bank of India, Bank of Baroda and Central Bank of India, M/s NRB Pharma Limited's investment in pharmaceutical plant in Lusaka, Bharati Airtel's establishment of Airtel Zambia after its acquisition of Zain Telecom's African businesses and TATA's investment in real estate including five star hotels.

Despite the steady progress made, trade and investment has remained below potential mainly due to logistical difficulties owing to landlocked nature of Zambia and the consequent costs of undertaking cross border trade;^v and also for the small size of Zambia's economy which amounts to GDP of US\$22 billion^{vi}. However Indian businesses have been continuously encouraged by both sides to explore the Zambian market, as the long term economic prospects in Zambia are considered to be substantial. Zambia being a land locked



Source: SADC

country is also seen as an advantage. It is land linked to eight neighbouring countries, which include Angola, Botswana, Democratic Republic of Congo, Malawi, Mozambique, Namibia, Tanzania, and Zimbabwe, thus geo economically a very important country, as it provides access to the huge market of 400 million people. Lusaka is the headquarters of COMESA and is also integrated with several other regional groupings like SADC. It is a fully liberalised economy and the Vision 2030 enunciated in the seventh National Plan of Zambia stresses on diversification of

its economy.^{vii} It is also one of the very few countries in Africa which has witnessed peaceful transition of power without any cross border conflict.

President Kovind during his joint address with President Lungu to the Business community called upon Indian companies to take advantage of the opportunities offered by Zambia. Emphasizing on the need to expand the trade basket he encouraged all stakeholders – small and medium enterprises, Chambers of Commerce, large companies, new entrepreneurs - to diversify and expand two-way Zambia-India business corridor.^{viii} He also stressed the need to connect the youth through Start-ups, Skills, technology and new ideas and pointed out that Skill India and Digital India platforms can be leveraged for Zambian advancement.^{ix}

On his part, President Lungu encouraged Indian companies to partner with Zambians in the Multi Facility Economic Zone (MFEZ), for the development of micro, small, medium enterprises. With regard to expanding trade he underlined that the potential exists for increased and diversified trade under the Indian government's duty and quota free scheme (DTQF), which covers a wide range of products that Zambia can export to India.^x President Lungu extended an invitation to Indian companies to exhibit at the 54th Zambia International Trade Fair (ZITF) Ndola, Copper belt Province, from 27th June to 3rd July 2018, themed: "Private Sector Key to Industrialization".

To boost economic cooperation India has also provided considerable economic assistance in the form of grants and credits. So far India has disbursed an amount of 82.57 million USD worth LoCs to Zambia for sectors such as health, agriculture, Hydro power project, transport vehicles and equipments. To further strengthen economic cooperation President Kovind during the visit announced the Indian Government's intention to support Zambia's hospitality industry and conference tourism through providing concessional finance to construct the "Mahatma Gandhi Convention Centre.

Another noteworthy contribution of India has been in the infrastructure sector. India has provided a grant of US\$286 million to Zambia for implementing Road project to de-congest Lusaka City. During this visit both Heads of State participated in the Ground Breaking Ceremony of the Lusaka City Roads Decongestion Project. Lusaka, the country's capital, is undeniably one of the fastest growing cities in Africa. Besides being centrally located, Lusaka it is also the transit route for traffic between the south and north, east and west. Lusaka is also the transit route for trade in the Southern African Development Community (SADC). It is the gateway to the Democratic Republic of Congo from the south and vice-versa. It is also the strategic link in the Walvis Bay trade corridor. Zambian Government is developing the road sector to continue creating an enabling trading environment locally and regionally,^{xi} as it considers its strategic location ideal for being a regional trade and transport hub. In this context India's contribution therefore assumes immense significance, as its support for this project will contribute to facilitating regional trade. Apart from implementing phase two of the Lusaka L400 road project, the Indian government will also cater for street lighting, by-passes, construction of roads in Kasisi and other areas and putting up drainage systems among other things with the aim of beautifying Lusaka city.^{xii}

Capacity Building

Capacity building initiatives in areas of defence, health and education have been significant aspects of the development partnership between India and Zambia. Efforts to step up cooperation in these fields were discussed during the interactions between both leaders. On areas of defence,

President Lungu, expressed the desire to revitalize cooperation and sought further assistance for training of defence personnel^{xiii}. It is noteworthy to mention here that one of India's closest linkages with armed forces of African continent is with Zambia. It dates back to the pre-independence period when India sent a battalion of Sikh Regiment to Northern Rhodesia/or former Zambia. After Zambia attained independence in 1964 those linkages got strengthened. Under the ITEC Programme India extended training to Zambia's defence and civilian personnel. There were years when nearly 40 percent of Zambian armed forces underwent training in various Indian defence institutions including several of Zambia's.^{xiv} In 1970s and 1980s several Indian army and air force training teams were deputed to Zambia for training of the Zambian Armed Forces. India had deputed, from 1994-2010, a Military Advisory Team comprising four officers in Defence Services Command and Staff College in Zambia.^{xv} Given the strong foundation in defence partnership and India's expertise and experience, the need expressed to rebuild and expand cooperation therefore holds great promise.

Health and education sector are other areas where India has been providing support to Zambia for capacity building. During this visit, President Kovind made various announcements to further boost cooperation in this field. In the education sector Zambia has availed a large number of ITEC training program slots and ICCR scholarships for skill development. So far about 2400 civilian Zambians have been trained in India in various disciplines under ITEC.^{xvi} The Pan-African e-Network Project for Zambia successfully inaugurated at the Mulungushi University in Kabwe in August 2010 has facilitated tele- education.

In the health sector Zambia has been provided lines of credit of US\$ 50 mn for establishment of 650 pre- fabricated health post, out of which 247 have been completed and have been handed over to the Zambia. Besides this, on medical tourism India has become the preferred destination, for which the Government of Zambia has signed MoUs with two multi-speciality hospitals Apollo and Yashoda group of hospitals in Hyderabad. To further support development in the health and education sectors of Zambia President Kovind, during the visit announced the provision of medicines and medical equipment worth \$3million, as well as \$100,000 to renovate the Mahatma Gandhi Primary School, respectively. To step up capacity building and training support India also offered to establish an Entrepreneurship Development Centre in Zambia, a MoU of which was signed during the visit. India is hopeful that it would foster new ideas, enterprises and start-ups in the country.

Energy

On the issue of energy both sides discussed the positive impact of India's cooperation in areas of power generation. Indian company like TATA Power has played an important role in addressing the country's power shortage through its investment in 120 MW Itezhi Tezhi Power project. At present Tata Power owns 50 percent shares in the joint venture Itezhi Tezhi Power Corporation, with Zambian utility ZESCO. India has provided \$30 million lines of credit for Tezhi Power Project. Besides electricity, President Kovind expressed India's readiness to offer assistance to Zambia in the area of biomass gasifier source of energy. He also appreciated Zambia's signing of the international Solar Alliance Framework Agreement that is aimed to accelerate the use of solar energy through financing and implementation of priority projects in member countries. He also conveyed India's willingness to assist Zambia both with technology and finance to harness solar energy.

UN

Apart from these bilateral issues leaders from both sides emphasized the need to further relations on international issues of common concern. They agreed to intensify cooperation at the United Nations and other multilateral fora on addressing global challenges such as climate change, security and sustainable development. They shared similar views with regard to the need for urgent reform of the UN Security Council, including its expansion in both the categories of membership, so that it is made representative, effective and responsive to the current geopolitical realities. On the issue of fighting the scourge of terrorism they emphasized the importance of international efforts and agreed that safe havens for terrorists and their activities must be eliminated through resolute and credible measures.^{xvii}

Diaspora

Another important aspect of the visit was President Kovind's interaction with the Indian community, which is part of Indian government's broader policy initiative to have a sustained and proactive engagement with its overseas community. The purpose of the engagement therefore remained to familiarize the community with the transformational changes taking place in India. The interaction with the diaspora was aimed also at providing possibilities and platforms through which they can participate in India's growth^{xviii}. Undoubtedly the Indian diaspora connection remains an important factor in India – Zambia relations. Even though the Indian diaspora doesn't constitute a large number, as in some countries in Africa, yet their contribution to the development and prosperity of their host country has been substantial. They have played a significant role in Zambia's economy, especially in trade, industry, hospitality and transport sectors. They are well integrated, but given their cultural and civilizational identities, which they have been able to retain, they are a heritage asset for both nations. The Indian President in his speech commended the members of the Indian community for having made great efforts to embellish India's reputation as well as keep alive its cultural traditions. As a community, he urged them to remain connected with each other and make themselves even more relevant to their host country.^{xix} For India and Zambia to strengthen bilateral relations it is important that they reap maximum benefits of their bridge building potential.

Conclusion

President Kovind's visit to Zambia has certainly added the much needed impetus to the existing strong bilateral relationship with Zambia. This visit along with visits to other African countries reflects India's desire to have a sustained interaction with Zambia as follow up to the third India Africa Summit held in 2015. It is to be noted that though India has a strong historical and political connection with Zambia but it is the IAFS process that has ushered in a qualitative transformation of India's relations with Zambia. It has enhanced political understanding, security cooperation, trade and investment linkages, energy partnership, collaboration in areas of health, education agriculture and diaspora connections between both regions. What is however needed now is while keeping up the momentum in the engagement, it is time to consolidate the agreements reached and announcements made. Regular visits at least at the Minister and official level could be undertaken to review various areas of partnership. Equally important would be high level visits from Zambia as the last visit that took place was by the Vice President of Zambia in 2015. Going forward implementation of the agreements signed and various projects undertaken have to be given emphasis, as this remains one of the major concerns in this partnership.

** Dr Nivedita Ray, Director Research, Indian Council of World Affairs, New Delhi.
Disclaimer: The views expressed are that of the Researcher and not of the Council.*

Endnotes

ⁱ MEA, [http://www.mea.gov.in/media-briefings.htm?dtl/29787/Transcript_of_Media_Briefing_on_the_upcoming_visit_of_President_to_Equatorial_Guinea_a_Swaziland_and_Zambia](http://www.mea.gov.in/media-briefings.htm?dtl/29787/Transcript_of_Media_Briefing_on_the_upcoming_visit_of_President_to_Equatorial_Guinea_Swaziland_and_Zambia)

ⁱⁱ MEA, GOI, India- Zambia Joint Statement , <http://www.mea.gov.in/bilateral-documents.htm?dtl/29815/IndiaZambia+Joint+Statement+during+State+Visit+of+President+to+Zambia+April+1012+2018>

ⁱⁱⁱ Times of Zambia, 12 April 2018, <http://allafrica.com/stories/201804120517.html>

^{iv} https://www.mea.gov.in/Portal/ForeignRelation/Zambia_August_2017.pdf

^v MEA, GOI, http://www.mea.gov.in/Portal/ForeignRelation/Zambia_Jan_2015_eng.pdf OI,

^{vi} MEA, GOI, http://www.mea.gov.in/Portal/ForeignRelation/Zambia_Jan_2015_eng.pdf OI,

^{vii} President's speech at Zambia- India Forum Meeting, <https://www.presidentofindia.gov.in/speeches-detail.htm?483> <https://www.presidentofindia.gov.in/speeches-detail.htm?483>

^{viii} MEA, GOI, India Zambia Joint Statement , http://www.mea.gov.in/bilateral-documents.htm?dtl/29815/IndiaZambia_Joint_Statement_during_State_Visit_of_President_to_Zambia_April_1012_2018

^{ix} Speech, Zambia- India Business Forum, <https://presidentofindia.nic.in/speeches-detail.htm?483>

^{xx} The Rainbow, April 11, 2018, <http://rainbownewszambia.com/2018/04/11/edgar-chagwa-lungu-courts-indias-ram-nath-kovind/>

^{xi} Zambia Daily , <https://www.daily-mail.co.zm/india-gives-286m-for-roads/>

^{xii} Zambia Daily Mail, <https://www.daily-mail.co.zm/286m-for-decongesting-lusaka-most-welcome/>

^{xiii} MEA, GOI, India- Zambia Joint Statement, http://www.mea.gov.in/bilateral-documents.htm?dtl/29815/IndiaZambia_Joint_Statement_during_State_Visit_of_President_to_Zambia_April_1012_2018

^{xiv} MEA, GOI, [http://www.mea.gov.in/media-briefings.htm?dtl/29787/Transcript_of_Media_Briefing_on_the_upcoming_visit_of_President_to_Equatorial_Guinea_a_Swaziland_and_Zambia](http://www.mea.gov.in/media-briefings.htm?dtl/29787/Transcript_of_Media_Briefing_on_the_upcoming_visit_of_President_to_Equatorial_Guinea_Swaziland_and_Zambia)

^{xv} Daily Nation , 12 April 2018, <https://www.pressreader.com/zambia/daily-nation-newspaper/20180412/281857234118113> <https://www.pressreader.com/zambia/daily-nation->

^{xvi} MEA, GOI, <http://www.mea.gov.in/portal/foreignrelation/zambia-january-2012.pdf>

^{xvii} MEA, GOI, <http://www.mea.gov.in/bilateral-documents.htm?dtl/29815/IndiaZambia+Joint+Statement+during+State+Visit+of+President+to+Zambia+April+1012+2018>

^{xviii} President Kovind's Speech, Lusaka, April 10, 2018,

https://presidentofindia.nic.in/writereaddata/Portal/Speech/Document/482/1_Speech_Lusaka_Community_Reception.pdf

^{xix} President Kovind's Speech, Lusaka, April 10, 2018,

https://presidentofindia.nic.in/writereaddata/Portal/Speech/Document/482/1_Speech_Lusaka_Community_Reception.pdf