PRODUCTION AND OTHER ECONOMIC COOPERATION
(1975-2000)

5.1 Introduction

The previous chapter has dealt with the trends in Indo-Francophone West African states trade relations during the period of 1975-2000, in the broad context of the economic relations between the two regions. This chapter explores another vital area of economic relations i.e. production cooperation between the two regions. This chapter will deal with investment cooperation/JVS and attempt to elaborate the future prospect for enhanced economic cooperation between the two regions. It will also discuss the problems of multilateral cooperation and will elaborate the future prospects for cooperation. It will further focus on the role of the multilateral forums in the promotion of economic relations between India and Francophone West African countries during the period of analysis.

With the disappearance of ideology from the world system, the balance of power reverts to a pattern of the late nineteenth century world production equation when the then colonial territories were reduced to metropole-colonies dependency syndrome. The concept visualizes a super sovereign west economically, culturally and politically hegemonic in the world. The economic hegemony of the west is further cited by reference to the increasing accumulation of wealth.
in the west based multinational corporations (MNCs). This process contributes to the growing North-South disparity as it promotes increasing concentration of capital in all areas involving the latest technological advancement, from aerospace and information technology to finance and consumer products and that the monopolization is further compounded by hidden and avert forms of protection by the western conglomerate. Most of the countries of the south continue to languish under the malaise of under-development. Many of them are down and out both politically and more so economically. The main competition for global primacy has increasingly shifted from military might to the economic sphere.

Globalization is a process that covers all aspects, political, economic, social and cultural. Every issue bears an international stamp. Dynamics of economic and financial liberalization has to be viewed in this perspective. A degree of uniformity and homogenization of wants, on world scale, has been a notable feature of this phenomenon. The other important aspect has been the deregulation of several money markets, freeing their financial flows from national control resulting in transnational flows and free business transactions aiming at worldwide optimizing returns. The globalization, as an outcome of worldwide technological reach, therefore, marks the apparent convergence of the finer elements of the capitalist and the socialist thought process – the most important trend of the late twentieth

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2 ibid.
century. As the globalization process gathers momentum one thing is certain that the developing countries would be under considerable pressure and it is still an open question to what extent the global liberalization process would add up to the enabling capacity of the southern states to build up and, overtime, improve upon their autonomous capacity of development.

South-South cooperation would be all the more effective mode for the countries of the South to counter any contingency of the North riding roughshod over economic interest of the southern economies. In the event of economic slowdown in the North, as it happened in the 1970s and 1980s, the South-South alternative continues to remain a viable proposition. Besides that once production complementarities between the given developing region/ countries are identified and fully established, some aspects of South-South Cooperation continue to provide a better alternative to achieving structural transformation.

The developing countries afflicted by mass poverty, obsolete methods of production and outdated technologies, and social organizations have suffered economic backwardness. Most of the Afro-Asian countries having gained political independence were impelled to make full use of their existing potentialities for their survival and economic growth. They realized that their economic growth depends in the gradual application of science and technology in a mutual cooperative manner for mass production and to avert the problems of poverty in

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3 ibid, p. 335.
4 ibid, pp. 334-35.
order to bring about a rapid development. The transition in the international economic relations through the process of globalization since 1990s, which is in a state of flux, provides unprecedented challenge and opportunity. Foreign investment has gained importance globally as an instrument of international economic integration and bilateral economic cooperation. The developing countries and its national collaborations seek to encourage formation of more and more investment from within and outside the country with a view to faster economic and industrial growth. Foreign investments in a developing economy are usually welcomed on three grounds, first, to encourage the induction of new technology for rapid industrialization of the country, second, to create more employment opportunities and third, to earn or save foreign exchange.\(^5\)

It has been empirically demonstrated that the transfer of resources and technology among developing countries through JV is more appropriate and cost effective for the host country than similar transfers effected by Multinational Corporations (MNCs) based in the industrialized countries. The JV and technological transfers have become important vehicles of economic cooperation among the developing countries.\(^6\) While analyzing investment cooperation, it is necessary to have a clear understanding of what is meant by the terms JV and wholly owned subsidiaries. The JV is a partnership through which two or more firms create a separate entity to carry out


\(^6\) Ramchandani, n. l, p. 330.
a productive economic activity in which each partner takes an active role in decision-making. Each party to the operating JV makes a substantial contribution in the form of capital and technology, marketing experiences, personnel and physical assets. The partners may also contribute access to their respective distribution network. 'Wholly owned subsidiary' means a foreign concern formed and registered or incorporated in accordance with the laws and regulations of the host country whose entire equity share capital is owned by the host party.⁷

Joint ventures are now receiving increasing attention in the collaboration efforts of developing countries to promote trade. Joint ventures are a comparatively flexible instrument in that they can assume many different modalities concerning initiative for establishment, ownership, sources of management and technology and market arrangements for the provision of inputs or sale of their products. Initiative can come from governments directly or through the public corporation or it can come from the private sector of the economy usually involving private corporations from the relatively large, more industrialized developing countries.⁸

As the process of economic liberalization underway around the world, every country has felt its impact. In this new environment of liberalization, privatization and globalization (LPG), Francophone West

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⁷ India Investment Centre, Guidelines for Indian JV and Wholly Owned Subsidiaries Abroad (New Delhi, 1999), p. 4.
African countries, like India, are searching for a new collaborative network.

Both, India and the Francophone West African countries have emphasized on the need to evolve a shared agenda and vision in the spirit of South-South Cooperation for enhancing their investment relations so that they could in future help themselves in addressing their common problem in a spirit of partnership and commonality of interests. Thus, the framework of South-South Cooperation has been evolved for strengthening the economic relationship among the developing countries like India and Francophone West African states.

5.2 India’s Relations with Francophone West Africa under South-South Cooperation Framework

South-south cooperation has come to assume an important role in third world diplomacy in recent years. The countries of the third world have come to increasingly recognize the need for closer cooperation among them. It is now well recognized that “the responsibility for the development of the south lies in the south and in hands of the people of south”. In order to become more independent and less reliant on the north, the south-south cooperation is vital for third world countries. Starting with the NAM, UNCTAD-I, formation of ‘Group of 77’ and the creation of the ‘Group of 15”, the least developed countries (LDCS) have moved a long ways and means to contribute to each

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others economic and social progress by effective utilization of complementarities between their respective resources and requirements. The trend towards south-south cooperation has provided a strategic dimension to the concept of economic cooperation among the LDCs. This would also increase their bargaining strength and countervailing power in the negotiations with the developed countries and would at the same time serve as a valuable complement to international economic cooperation. Thus, today south-south cooperation is an economic necessity and is based on equality and free will of the third world countries.

The third world in general comprises a group of countries, which are underdeveloped and developing and are characterized by lower economic activity than the industrially developed societies. There are large disparities between the developed and developing economies and indications are that the gap is further widening. A low level of industrialization undoubtedly distinguishes ‘The Third World’ but there do exist substantial variations among the member nations. Though they achieved political freedom, their economies continue to depend on the erstwhile colonial masters or other advanced nations who happen to be sole foreign private investors and the main trading partners. They came to realize that economic dependence leads to political dependence, which creates a super-subordinate relationship. They came to realize that the present economic order, is a highly unjust and inequitable one as the vast majority of countries within it are poor and underdeveloped and the bulk of the global wealth is in
the hands of a few developed and rich nations because of the
economic exploitation of colonies by them as former colonial rulers.
South-south cooperation occupies a very important place in all
agendas of the non-aligned movement as an option to the North-South
dialogue due to unreadyness of the North in extending substantial
support to the south. With a view to secure economic and trade
cooperation among the developing countries, as well as for securing
coordination in their policies, India (as a founder member of the NAM)
took the initiative to hold a meeting of the developing countries in New
Delhi on Feb 22-24, 1982. This south-south cooperation meet agreed
to concentrate upon the following points for further consideration:10
(i) The formulation of progammes for agricultural self-reliance and
food self-sufficiency.
(ii) The creation of a World Bank “energy affiliate” and
(iii) The creation of a multi-lateral financing facility for joint ventures
and technical cooperation among developing countries.
While the struggle for NIEO goes on, south-south cooperation was
regarded as a first step towards reduction of their dependence on
former colonial powers. With this spirit, the regional, formations have
already come up in South East Asia (ASEAN) South Asia (SAARC)
Africa (OAU), West Africa (ECOWAS) and Latin America.11
South-South cooperation was regarded as crucially important tool for
developing countries and strengthening their economic independence

10 Sudhesh Tripathi, “NAM and South-South Cooperation”, World Focus (New Delhi), no.
11 ibid, p. 12.
and achieving the target of development as means of ensuring equitable and effective participation in the emerging global economic order. South-South cooperation is an essential mechanism for promoting sustained economic growth and sustainable development and that it constitutes a vital element in promoting constructive south-south relations in achieving self-reliance.\textsuperscript{12}

Thus, the agenda of south-south cooperation has increased manifold and has become broad based during course of its development, which covers not only economic issues but also all issues of social concerns. These include cooperation in agriculture, trade, banking, eradication of poverty and social injustices, human resources enhancement, regional and multilateral cooperation, technical cooperation etc. and many more.\textsuperscript{13}

Now it has well defined targets to be achieved in a specified time schedule under definite programme of action. It has also developed its institutional arrangements like south commission and its secretariat, task force, expert groups for effective and successful coordination among various agencies in the world for successfully achieving its goal.

The Harare summit of the Non-aligned Movement in Sept. 1986, proved to be a milestone in the direction of south-south cooperation as it announced the creation of a south commission under the chairmanship of Julius K. Nyerere, former President of Tanzania to

\textsuperscript{12} ibid, p. 14.  
\textsuperscript{13} ibid.
cater institutional spadework. South commission report that came out in 1990 reflect the quest of the developing countries to find ways and means of cooperation among themselves to mutual advantage.\textsuperscript{14}

5.3 Economies of India and Francophone West African states are complementary

The term complementarities between the developing regions such as India and Francophone West Africa was considered with reference to two essential characteristics:\textsuperscript{15}

(i) Two regions can be considered to be complementary to each other, in economic terms, if certain items or products produced in one region could fruitfully be inducted as import in the production activity of the other region by increasing or without affecting the level of production.

(ii) The term can also be applied if the substitution of one set of relations by another set helps in affecting structural modification or transformation by generating, or by raising the expectation of generating greater, indigenous autonomous capacity.

While examining the plural economic features of the Francophone West African economies, on the one hand, and the Indian economy, on the other, it was evident that there was an built in complementarities aspect in the very structuring of the two economies. The production

\textsuperscript{14} ibid, p. 12.
\textsuperscript{15} Ramchandani, n. 1, p. 323.
complementarities attained by India, since her independence, were found to be remarkably suited to providing the 'missing middle' in the African economies.\textsuperscript{16}

India is one of the countries, which has not only the required expertise and experience in the technological and management fields but also is in a position to help other developing countries in the process of their development in a variety of sectors, such as agriculture, industry, trade, joint ventures, consultancy etc. India, with a large market and liberalized economy also provides excellent environment and opportunities for international business. The series of reforms in India since 1991 have covered virtually every area of economic regulation. The trade and exchange rate regime, taxation, investment regulation, the financial sector and the tax system have all been substantially reformed. Several sectors once restricted to public investments such as mining, telecommunications, power, road and banking etc. are now open to private investors. India has also provided excellent opportunities for foreign investments.

India has been making special efforts to enlarge areas of economic cooperation with other developing countries. The imperatives of India's recently globalized and liberalized economy make, it necessary that African and other third world countries are more seriously explored. The need for an export market and the challenge of the developed economies should induce India to develop closer ties with these countries.

\textsuperscript{16} ibid.
Francophone West African countries have good infrastructure and provide excellent environment for international business. They are land of immense natural resources including abundant mineral and metal reserves, complemented by cheap electricity and a sound and diverse industrial and financial infrastructure. They have well developed communication and transport infrastructures. A major restructuring programme which includes lowering of tariff on imports and phasing out of exchange control regulations, besides offering several incentives to foreign investors was undertaken by these states to increase the quantum of foreign investment and further strengthen its financial environment.

The economics of India and Francophone West African countries are complementary and therefore they stand to gain from increased trade and greater economic cooperation. Francophone West African states are growth oriented emerging economies and they have all the potential to become a strong trade partner of India in the African region.

For India, they can be both, a good market for export of products and services as also good partners for joint ventures and collaborative ventures. They offer tremendous business opportunities to India entrepreneurs.

The scope for economic cooperation between India and these countries is, indeed, vast. This is due to several reasons, firstly India and these countries are moving on the path of economic liberalization and encouraging foreign investment. Secondly, India is at comparable level
of industrial and technological development and has much to offer to these countries. Thirdly, controlled inflation rate and comparatively self-sustained economy of India and growth oriented economies of these states. Fourthly, Francophone West African states are developing in terms of infrastructure and healthy financial sector. All these factors are able to raise the Indo-Francophone West African states economic relations to a new height.

Thus, the question was whether or not such growing complementarities were duly reflected in such sectors as trade and other forms of production cooperation such as joint ventures.

There is growing element of production complementarities in the economies of the two regions. Production complementarities are an evidence of the potential of economic cooperation between the two regions. By early 1980s, there was little doubt that there certainly was a large untapped potential in this respect. But, the earlier colonial linkages and the built in foreign enclave domination in the Sub-Saharan economies could not be unhinged all at once. Thus, India-Francophone West African states production cooperation would constitute the central mechanism in this process even though it would operate only as a gradual step by step exercise.

An important modality of Indo-Francophone West African production cooperation could be the agency of joint industrial ventures. But, it was found that Indo-Francophone West African states joint ventures, compared with India's worldwide spread, Indo-Asian joint ventures and even other regions of Africa, had as yet just scratched the surface.
Thus, the production-cooperation between India and Francophone West Africa indicate sluggish trend due to severe economic and financial crisis in most of the Francophone West African countries. Despite unmistakably growing production complementarities between India and several Francophone West African countries, the economic relations between the two regions did not reflect full potential of such complementarities. This was mainly due to well structured "dependency syndrome' of the Francophone West African economies.17 The situation was further compounded by the economic crisis and political instability. Most of the Francophone West African countries have so far been relying heavily on tied aid and credits from developed countries. The foreign debt is increasing and they have not been able to obtain adequate aid from IMF and World Bank. Thus, in the light of acute shortage of foreign exchange, faced by most Francophone West African countries, the only way out is production cooperation between India and Francophone West Africa.

5.4 Investment opportunity in Francophone West Africa

The Governments of most of the Francophone West African countries offer many incentives to the foreign investors and especially welcome the setting up of joint ventures in their countries. Most of them are committed to a mixed economy with private sector playing a significant role in industrial investment. As a matter of policy, the governments of these countries have consistently accorded priority

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and given encouragement and support to such industries which contribute to import substitution, generate and boost up exports, are labour intensive, agro-based and provide additional employment. In certain fields, however, capital-intensive industries are also welcome in some countries. As regards foreign equity participation these countries follow a flexible policy. The extent of flexibility, of course, varies from country to country. There is a guarantee against nationalization of foreign investment in most of the countries and provision for prompt and full compensation, if nationalization is resorted to. Tax-deduction, tax holiday, income-tax relief, repatriation guarantee for transfer of profits after taxation, a portion of net proceeds of sales, principal and specified interest thereon and other financial incentives are offered by most of these countries to attract foreign investment in joint ventures. With the end of the cold war, the world order has arrived at a fresh threshold, a more dynamic technological frontier along with the gathering winds of political democratization and economic liberalization, on the world scale. Its impact has been also felt by the Francophone West African Countries. They have experienced a political transformation reinforced by truly democratic and restructured institutions representing civil society. The political stability in these countries is now suitable for attracting foreign investment.

The governments of the Francophone West African countries have emphasized that “Foreign Investment and Technology Transfer” would be the top most priority areas in the economic agenda. The priority is
to create gainful employment and income generation in rural areas. Thus, Francophone West African countries are looking to the world community for investment.

In the new environment of economic liberalization and globalization, Senegal, like India, is searching for a new collaborative network. The reason why Senegal is a prominent destination for investment in Africa lies in its competitive strengths.18

(i) A peaceful and stable country.
(ii) An open and booming economy.
(iii) Government new acts favourable to business.
(iv) Skilled work force available.
(v) A preferential location to service Africa, USA and Europe.
(vi) Many other incentives for SME's and export driven business.

Senegal has made several strides in opening the domestic economy to international competition. A wide range of investment incentives provided by Senegal includes19

1) Several reforms and agreements to improve a friendly business climate.

• Creation of a national agency for investment promotion.
• Reduction of tariff rates from 7 categories to 4.
• An attractive investment code offering free transfer of capital and projects, no discrimination between locals and foreigners, and no limitation in expatriates employment.

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18 Embassy of Senegal, Invest in Senegal (New Delhi, 2001).
19 ibid.
• Import duty exemption on equipment required for investment programs and fiscal advantages during the operational phase.

• A very flexible new labour code (unlimited possibility to re-conduct to 6 months contracts).

• A number of double taxation agreements signed with many countries.

• Senegal is a member of WTO and has fully subscribed to all WTO agreements and laws.

• A young healthy and skilled population:
  57% under the age of 25.
  55% literacy and 45% of young population achieve high school level.

Workforce skills in textile manufacturing are well known.

(2) A preferential access to markets

• Senegal is member of the West African Economic and Monetary Union (WAEMU-UEMOA). It is an economic union of eight countries with same currency and a market of 60 million consumers based on free movement of people, capital and goods with a common trade policy and the common external tariff (CET). It has also a regional stock market.

• Senegal is also part of the Economic Community of West African States (ECOWAS-CEDEAO) which has 16 member states and a market of 200 million consumers (including Nigeria) and a very low tariff rate of 5% (10% cumulative of VAT added).
• Senegal is also a prime location offering a preferential access to the European Market (EU/ACP agreement) and the US Market (Africa Growth and opportunity Act*)

(3) Other Incentives.

• Additional specific advantages for SME’s, for firms developing local resources, firms promoting technological innovation and firms located outside Dakar.

• For industrial and agricultural enterprises which export at least 80% of their production, advantages such as exemptions for customs duties and stamps for production and transportation equipment, exemptions for wage taxes, business license taxes, land taxes and all registration and stamp duties and corporate tax at the rate of 15% instead of 35%.

Burkina Faso has also laid down a favourable economic environment in order to promote investment. The government of Burkina Faso has taken the following steps.20

➢ Setting up a democratic and multiparty system (in 1991).
➢ Strengthening peace and stability and promoting good governance.
➢ Setting up a structural adjustment programme (since 1991).
➢ Operating macro-economic reform.
➢ Setting up full legal protection for private investments.
➢ Gradual withdrawal of government intervention from private sector.

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* The AGOA provides beneficiary countries in Sub-Saharan Africa with the most liberal access to the US market, reinforces African reform efforts and provides improved access to US credit and technical expertise. It also establishes a high-level dialogue on trade and investment in the form of US-Sub-Saharan Africa Trade and Economic Forum.

Burkina Faso welcomes foreign investors through an open door policy. The government set up an attractive new code of investment in 1995. This code offers a package of incentives and legal guarantees to investors.\(^{21}\)

**(A) Guarantees for Investors:**

- Rules and regulations governing investments are one and the same for nationals and Foreigners without discrimination. Right of full business ownership for foreign investors and right to acquire real estate, land, forested land, industrial areas in addition to concessions from government.

- Freedom of investment except projects, which are not friendly with environment, public security and health, a foreign investor is free to set activity in Burkina Faso and invest in any business of his choice.

- Right to transfer of capital and profits for any investor, Freedom to appoint and to terminate employees, freedom of composition of products according to competition for marketing, free access to sources for getting raw materials and free choice of suppliers.

- No discrimination for taxes levied by the government, protection of commercial properties as well as research centers, full protection from risk of expropriation and full state protection to derived benefits mainly in fiscal area.

- Settlement of litigation through international arbitration procedure within the framework of arbitration procedure within the

\(^{21}\) ibid, pp. 13-15.
framework of conventions signed by Burkina Faso, International Centre for the settlement of investment disputes established by the International Bank for Reconstruction and Development, Permanent Court of Arbitration at Hague in the Netherlands.

(B) Fiscal Incentives: The code of investment offers to investors a choice between two systems of investment.

➤ Primary system of investment: It doesn’t entail any specific condition. The investor can enjoy all the guarantees granted by the code.

➤ Privileged schemes of investment: They are subject to specific conditions and obligations but bring enormous fiscal advantages such as total exemptions from custom duty, at implementation phase, fiscal taxes exemption or reduction at running phase. There are six privileged schemes of investment. Fiscal incentives are related to the following categories of taxes: trading tax, corporate tax, minimum basic rate tax on industrial and trading business, property in mortmain tax, securities income tax and employer and apprenticeship tax.

(C) Other plus points of investing in Burkina Faso:

➤ Low cost labour

➤ Strategic position at the heart of West Africa.

➤ Good infrastructure (Telecommunication, Roads, Railway, Airports) and services.

➤ A possibility of joint ventures with Burkina Faso’s business community.
The government of Ivory Coast has also introduced a new Investment Code containing attractive package aimed at stimulating and sustaining private investment in Ivory Coast and channellising these investments in tune with the industrial policy objectives of the country. These measures cover modification of common investment law, tax incentives and restructuring import duty rates and is aimed at

- Investment promotion
- Gradual disengagement of the state from production sector in favour of private initiative
- Improving the competitiveness of the economy.

A. Incentives offered\(^{22}\): The new code has two types of schemes for the purpose of granting incentives and speedier clearance of the proposals.

I. The declaration scheme: This scheme enables investment regardless of the cost, to be eligible within a maximum time of 48 hours and almost in an automatic manner, to the benefits contained in the code on the basis of a simple declaration of the investor, testified by the Investment Promotion Centre in Cote d’Ivoire (CEPICI). This scheme is applicable to all sectors of activities other than transport, trade, construction and public works and finances. It covers only investments relating to starting of new activities.

Measures applicable to all investments concerning the setting of a new activity relate to

- Exemption from income tax on industrial and commercial profits or on non-commercial profits for a period of five to eight years.
- Exemption from taxes and licences for a period of five to eight years.

II. Approval Scheme: This scheme covers investments whose costs are over CFA F 500 million. It covers all sectors of activities excluding finances, construction and public works. It takes into account all investment regardless of their nature.

Investments concerning the setting up of a new activity or the extension of an existing one with a cost higher than CFA F500 million are offered the following benefits:

- Exemption from VAT on equipment and materials and the first consignment of spare parts for investments over CFA F 500 million;
- Exemption from duties and taxes on equipment and materials, and on the first consignment of spare parts for investments over CFA F 2 billion.
- Levy of a unique and preferential charge of 5% on equipment from investments between CFA F500 million and CFA F 2 billion.
- Exemption from taxes on the properties built for investments over CFA F 2 billion.

These advantages shall apply across the board without discriminating between imported equipment, materials and spare parts and those manufactured locally. The package of measures offered by the code
does not hinder the application of specific measures already provided by the general Income Tax Code and the General Customs Code, if need be, by the mining code. Similarly, the investment code is not opposed to the implementation of measures, which would result from treaties and agreements signed between the Republic of Cote d’Ivoire and other states.

The new code reduces the number of geographical zones from 3 to 2

- **Zone A** – comprising the region of Abidjan.
- **Zone B** – covers the other regions of the national territory. The duration for availing the benefit is 5 years for investments made in zone A and 8 years for investments made in zone B.

The procedures have also been considerably simplified. The number of intervening administration services and of agencies has been reduced. CEPICI, the Investment Promotion Centre is the sole negotiator of the investor. This centre receives files, forward it to the services concerned, sees to its successful completion and communicates to the investor the answer given to his application. The Industrial Development Department under the Ministry of Industry, drafts a synthetic note to the Technical Investment Committee. The Technical Investment Committee examines the application. CEPICI plays the role of secretary to this committee. The approval is granted by an inter-Ministerial order and no longer by Cabinet decree. Concerning the declaration of investments, the only declaration of the investor considered valid by CEPICI shall be sufficient to declare eligibility, no further action shall be needed. The deadlines have been determined
and set by the Code, they are now shorter than under the former Code. The Code provides that when the investor has not got an answer from the authorities after the 45 days time limit, the approval is a matter of fact granted. An administrative appeal procedure is offered to investors before an ad-hoc committee, the National Investment Promotion Committee (COM-INVEST).

**B. Guarantees offered to the investor**\(^\text{23}\): The new code offers to investor's important guarantees:

- It reaffirms the principle of free transfer outside the Republic of Cote d' Ivoire of all income generated by the investments and particularly the surplus balance resulting from the winding up of a company, if need be.

- It authorises any legal proceedings or arbitration appeal deemed necessary by the investor to settle any claims resulting from the implementation of the code.

- It also provides an administrative settlement directly before the committee created for this purpose, the National Committee for Investment Promotion (COM-INVEST), which aims at enforcing the provisions of the code, especially those relating to deadlines.

**5.5 Investments and Joint Ventures**

On the political front, India has been foremost in sharing with the Africans their aspirations for freedom from the colonial domination.

\(^{23}\) ibid, pp. 66-72.
India has extended moral and political solidarity and sympathy in the international fora. On the economic front also, India has over the years forged and maintained fruitful cooperative links with the African countries. Despite its limited resources, it has with sincerity extended a helping hand as a friend and an ally sharing its developmental experiences with the African countries.

India has, in fact, a long history of setting up joint ventures in developing countries of Africa and Asia. India's first ever joint venture in Africa (JVA) was commissioned in Ethiopia in 1958. As a result of a private initiative by the Birla brothers, a textile mill was set up in Ethiopia and in 1964, the Government of India adopted a positive policy of setting up of joint ventures abroad. However, it was only in the mid-1980s that India opened her JVA account in the Francophone West Africa with the setting up of a project in Senegal. An efficient Indian company in public sector is collaborating with the Senegalese government in the field of fertilizers and phosphoric acid.

There are as many as five Indian joint ventures and wholly owned subsidiary in the Francophone West Africa region. The table shows that there are three joint ventures in Senegal, one in Guinea and one wholly owned subsidiary in Ivory Coast up to year 2000. Thus it is clear that the region has not attracted much of Indian joint ventures and wholly owned subsidiary. There were more than two

thousand Indian joint ventures and wholly owned subsidiary operating world wide and out of them, there were only five in the Francophone West African region during this period.

Table-15 gives a detail of Indian companies and their field of operation in the region. The fields of operation under joint ventures are Fertilizers & Phosphoric Acid and under wholly owned subsidiary is Trading: IV Fluids formulations medical devices. The Indian company under joint venture in Senegal is Indian Farmers Fertilizer Corporation Ltd and under wholly owned subsidiary in Ivory Coast is Core Worldwide Ltd. Although the countries like Mauritius, South Africa, Kenya, Nigeria, Uganda and Tanzania are the important destiny for Indian investment in continent of Africa during the period, the Francophone West African region has not attracted much of Indian investments.

There is thus an urgent need to set up more joint ventures in Francophone West Africa. India in fact should take concrete steps in identifying the projects in consultation with Francophone West African states so that this useful area of collaboration is extended further, both in width and depth. One can think of establishing a big joint venture in respect of a textile complex in Burkina Faso or Mali which could cater to the requirements of the neighbouring land locked countries like Niger and Chad as well.26 Indo-Francophone West African joint ventures will necessarily lead to larger trade between India and Francophone West African countries. Many of the Indian

26 Singh, n.8, p. 23.
joint ventures established in co-developing countries are exporting to India. For e.g. – Indian joint ventures in Thailand are exporting carbon black and those in Malaysia are exporting palm oil. Naturally, Indian joint ventures in the Francophone West African countries will lead to larger Indo-African trade.27 Joint ventures are indeed the most useful trade promoting instruments in fostering and stabilizing economic relations between the two trading partners.

5.6 Economic and Technological Cooperation

India attaches special significance to her relations with the African countries. She has close political relations with the countries of Africa and is now in the process of concretizing that close relationship into mutually beneficial economic cooperation. India continues to intensify its efforts to convert the historic goodwill existing in the African countries for her into mutually beneficial economic, technical and cultural cooperation. Despite severe constraints of resources on both sides, India’s efforts are bearing fruit.

During 1993, India had intense interaction with the countries of Francophone West Africa. It was decided to gift grinding mills, Bajaj three-wheelers and a drilling rig to Burkina Faso, which would assist in their development plans and introduce the Indian products to Burkina Faso.28 Countries of Francophone Africa are now receiving


greater attention with the establishment of a high-level inter-ministerial coordination board for the sub-region.\textsuperscript{29}

There was an enhancement of ITEC cooperation programmes with the countries of West Africa in the line with India’s commitment to help build up indigenous capacities and promote self-reliance in those countries. India’s relations with the countries of Francophone West Africa made substantial progress during the year 1997-98. As manifestations of its commitment to South-South Cooperation, India has promoted several demonstration projects in these countries financed through grant assistance. A project for the establishment of an Entrepreneur and Technology Development Centre was undertaken in Senegal. Government of India also reiterated its commitment to participate in the Sahel Railway Project in Burkina Faso.\textsuperscript{30} Technical cooperation programmes were also initiated in Togo and Mali. India assisted Togo in rural development by gifting water pumps, sewing machines, corn grinding mills, and TATA mobile ambulances worth Rs 3.26 crores during the year. In Mali, a drilling rig gifted by India was installed and commissioned during the period of the report. India gifted seven heavy-duty photocopiers to Burkina Faso for use during the OAU Summit (June 8-10, 1998) held at Ouagadougou, capital of Burkina Faso. The relations between India and the countries in Francophone West Africa continued to expand in all fields. On 7-10 November 1998 the foundation was laid for the project of Industries


Chimique Du Senegal in which IFFCO is an equity partner. India's relations with Cote d'Ivoire have been improving steadily. A delegation organised by the EXIM Bank of India and the CII visited Cote d'Ivoire and also had discussions with the Abidjan based African Development Bank in May 1998. Shri Kashiram Rana, the Minister of Textiles led a delegation of the Indian jute industry to Cote d'Ivoire, Ghana and Nigeria in August 1998 for promoting export of hydrocarbon free jute bags to the West African region.31

5.6.1 Agricultural Cooperation

India's recent opening to the countries of West Africa was further consolidated during the year 1996-97 with the progress in bilateral agricultural and rural development projects being undertaken in Burkina Faso, Mali and Senegal. A team of agriculture experts visited Senegal, Cote d'Ivoire and Togo in August and September 1996 with a view to formulating specific programmer of agricultural cooperation with these countries.32 A two-member team from IVRI/ICAR visited Mali from 28 September-7 October 1996 to conduct feasibility study for setting up a Poultry Vaccine Laboratory in Mali and a three-member team from Gujarat Tractors Corporation Limited visited Senegal, Ivory Coast and Togo during July- August 1996 to explore possibilities for mutual cooperation in the field of agriculture.33

33 ibid, p. 172.
India's relations with the countries of Francophone West Africa made substantial progress during the year 1997-98. As manifestations of its commitment to South-South Cooperation, India has promoted several demonstration projects in these countries financed through grant assistance. An Agricultural Development Project was undertaken in Senegal. Earlier, a similar Agricultural Development Project was also undertaken in Burkina Faso. Farmers from Punjab were deployed in Burkina Faso for agricultural demonstration project. India sent six farmers to Burkina Faso in October under the 'Indo-Burkina Farmers' Project to assist and train their Burknabe counterparts in mechanized farming to produce quality seeds. This project has successfully taken off. Government of India also reiterated its commitment to assist Burkina Faso in its programme of livestock development.\textsuperscript{34} The Prime Minister of Senegal Mr Habib Thiam received 100 Indian tractors in May 1998 as part of the Agriculture Development Project being set up with India's assistance. It is in an advanced stage of implementation. The Indian Project Director is supervising the remaining part of the project. This project is aimed at providing expertise and equipment to Senegal to develop rice farming and to cultivate better variety of cotton. India also provided emergency relief assistance in the form of rice and medicines to Burkina Faso, Guinea and Niger.

5.6.2 Human Resource Development

In continuation of an established tradition, India extended assistance in the form of machinery, manpower and human resource development to the Francophone West African countries in various crucial sectors. India sent six farmers to Burkina Faso in October under the ‘Indo-Burkina Farmers’ Project to assist and train their Burknabe counterparts in mechanized farming to produce quality seeds. An Entrepreneurial Training and Development Centre (ETDC), built with Indian technical and financial assistance under G-15 at an estimated cost of US $ 4.49 million by HMT (I) to provide technical training in various vocational fields, was handed over to the Government of Senegal on 16 June 2000. ITPO also participated in the 14th Dakar International Trade Fair held from 23 November to 5 December 2000.35

Many trainees from the Francophone West African region are coming to India for training in many fields, computer education, diplomacy, telecommunications etc. In recent years, growing demands have been made to Ministry of External Affairs, Government of India through ITEC programme to transfer knowledge and skills gained under India’s green revolution, by developing countries, especially in Africa. The first experiment in transferring such technology was launched in Burkina Faso in October 1999 with start of a pilot farmers project. India’s engagement in economic, industrial and technological cooperation

with the countries of Francophone West Africa continues to grow steadily. India also continued to strengthen cooperation in the field of human resource development through the provision of training slots, deputation of experts and supply of equipment under the Indian Technical and Economic Cooperation (ITEC) Programme and the Special Commonwealth African Assistance Plan (SCAAP).  

5.6.3 Technical and Economic Cooperation through ITEC

Although the major thrust of this programme was registered in the post-Nehru period. The major objective of this programme was to strengthen ties with the newly independent developing countries, which had considerable potential.  

The ITEC programme, was from the very start an agency with a multi-dimensional coverage in terms of what has been described as India’s major economic diplomatic initiative. The main forms of technical assistance provided under this programme relate to providing countries in several technical and professional areas such as rural development and small industries, foreign trade promotion and standardization, railways, journalism, constitutional and parliamentary studies. Simultaneously, the programme also envisages posting and loaning Indian experts, be it economists and accountants, engineers and doctors, teachers and scientists, agriculturists and transportation experts etc. Assistance is also given for setting up industrial estates and technical training institutes in the host

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36 Government of India, n. 28, p. 50.
countries and simultaneously to provide the requisite technical equipment wherever such need was felt. The scope of the ITEC programme has been steadily extended to enable India to participate in development programme of several African countries.

India has offered technical training to Africans under the Indian Technical and Economic Programme (ITEC). These cover short and medium term training courses, in various disciplines ranging from diplomacy, media studies, legal drafting, water management, computer software, wildlife management, defence policy, agriculture, small scale farming, SME entrepreneurship and low cost housing. The ITEC programme now also includes opportunities in information technology (IT), jewelry manufacturing and the arts and crafts. In India, both education and training is comparatively cheap than Western countries and the standard is also high, so they are interested in sending their citizens to India.\textsuperscript{38}

Africa continues to be a major thrust area under the Indian Technical and Economic Cooperation (ITEC) and Special Commonwealth African Assistance Programme (SCAAP), the two technical assistance programmes which are executed by Ministry of External Affairs, Government of India. India has provided technical and financial assistance to Francophone West African countries under ITEC programme, SCAAP and ADR. India provided emergency relief assistance in the form of rice and medicines to Burkina Faso, Guinea and Niger. There was an enhancement of ITEC cooperation

\textsuperscript{38} Government of India, n. 30, p. 61.
programmes with the countries of West Africa in the line with India’s commitment to help build up indigenous capacities and promote self-reliance in those countries. The Ministry of External Affairs, Government of India has initiated a process of streamlining and strengthening the Indian Technical and Economic Cooperation Programme to provide it more focus and value and make it an effective instrument of South-South cooperation.39

The ITEC Projects completed or under process in Francophone West Africa during the period of 1996-2000 are:

1996-97:

Burkina Faso: Demonstration farms to be operated by Indian farmers.

Senegal: Computerization of Senegalese Prime Minister’s office in Dakar completed in August 1996.

Mali: 15 tool kits were supplied in June-July 1996; 200 hand pumps supplied in June-July 1996; A proposal for supply of 200 diesel pumps under process; Supply of photo-voltaic solar system to Mali under execution; A project for supply of drilling rig and agricultural equipment (manual rickshaws and hand weeders) is under process.

1997-98:

Senegal: Work started on establishment of “Entrepreneur and Technical Development Centre” (ETDC) in Dakar under G-15 for Government of Senegal; Feasibility study by Indian Dairy Association for a Dairy Development Project in Senegal in July- August 1997;

39 ibid, p. 58.
Feasibility study for setting up of a Incense Stick (Agarbatti) project was conducted in May, 1997.

Burkina Faso: Demonstrative cum training Indian Farmers Project in Burkina Faso- under process.

Mali: Supply of a drilling rig & its accessories; Feasibility study for establishment of a poultry vaccine laboratory; Solar Photovoltaic system supplied.

Benin: An expert from DCSSI conducted feasibility study for setting up of coir industry.

1998-99:

Senegal: Establishment of “Entrepreneur and Technical Development Centre” (ETDC) in Dakar- (on-going).

Ivory Coast: Supply of 45 diesel pumps and 350 sewing machines.

Burkina Faso: Indian Farmers Project in Burkina Faso- under process.

1999-2000:

Senegal: Establishment of “Entrepreneur and Technical Development Centre” (ETDC) in Dakar- (on-going).

Burkina Faso: Indian Farmers Project in Burkina Faso. The Project has been launched in October 1999; Supply of equipment for five Primary Health Centres.

Under ITEC slots were utilized by Senegal (13), Ivory Coast (10), Burkina Faso (10), Guinea (5), Niger (5) and Benin (5) till November 2000.
Under SCAAP slots were utilized by Senegal (33), Ivory Coast (5), Burkina Faso (15), Guinea (5), Niger (5), Mali (5) and Benin (5) till November 1998. Under ADR, diesel water pumps and sewing machine were provided by India to Ivory Coast.40

It is abundantly clear that India’s economic stakes in African countries have in recent years widened substantially. However, looking at the vast untapped potential much remains to be done. The other important aspect is to provide a sound infra structural and institutional anchorage to the growing economic and technical apparatus and in this respect India’s ITEC programme holds a key in the matter of bilateral implementation of priority economic and technical projects identified as priority areas by the respective African countries and joint economic commissions, Business councils etc. This programme certainly deserves a fresh look with a view to further widen its coverage and funding provisions. Likewise, other institutional support lines such as Exim Bank credit, Government-to-Government Grant-in-aid, ECG’s risk coverage, NHDC’s appropriate technology transfer, NSCI’s small industry support, further extension of shipping and Air Travel, consultancy services and above all manpower training and cultural scholarships would also need to be refurbished not only in quantitative terms but more with an objective of adding qualitative depth to such cooperative efforts and programme projections. At multilateral level, too, the programmes such as SCAAP and Colombo Plan need further supplemental inputs. For instance,

India's membership of Economic commission for African Development Bank calls for a through examination to see how India could further widen economic and technical cooperation base within African countries in Africa based developmental programmes and projects. In this respect World Bank, ILO, UNIDO and UNCTAD related programmes and work projects deserve greater attention for wider participation.\textsuperscript{41} The level of our assistance under ITEC and other schemes to African countries was maintained and even augmented wherever felt necessary.

India has always attached special importance to its relations with Africa. In the future, new relationships based on concrete economic, technological and educational cooperation will assume enhanced significance. It is increasingly being realized that in several areas Indian technology is more relevant to the needs of Africa than that provided by the developed countries. India has initiated economic collaboration arrangements with several countries of Africa. The focus of Indian cooperation would now shift more to consultancy services, projects, joint ventures and investments in various fields besides promoting India's exports to Africa. Despite constraints of resources on both sides, Indian efforts would be to embark on mutually beneficial projects. The countries of Africa seek Indian assistance for their human resource development. In this sphere India is in a

\textsuperscript{41} Ramchandani, n. 1, pp.341-342.
position to assist and a large number of Indian scientists and technical experts are already working in Africa.\(^4\)

5.7 Sectors in Francophone West Africa Region for Indian Investment

India with its experience of over fifty years of industrial growth, attained expertise in certain important sectors and has comparative advantage to do investment business anywhere in the world. These sectors are agriculture, infrastructure like communication, irrigation, housing, health and small and medium scale industries. Thus, in the area of production cooperation, a number of areas have been identified.

5.7.1 Agricultural Cooperation

In the field of production cooperation, top priority should be given to agriculture. Agriculture is not confined just to production of agricultural products but includes supply of fertilizers, irrigation, storage, communication etc. It can also provide lots of employment opportunities. The investment made in agriculture provides the maximum possible return. Francophone West African countries have vast fertile land, untapped, undeveloped and unharvested, which could be utilized for food production to enable them to attain self-sufficiency in food. Several Francophone West African countries were faced with acute food shortages. India could cooperate with them, in

undertaking comprehensive soil surveys to determine which food crops, edible seeds and other commercial crops would yield the maximum return in each country. India is in a position to offer appropriate technology and training to the agriculturists in these countries. India has got the necessary expertise on seed farm, soil testing and irrigation. India can easily supply farm implements, pesticides and other agricultural inputs. By the early 1980s, India emerged as a food-surplus country. In the process, India had gained a wide range of experience in food production technologies and in agro-based industries such as sugar, cashew-processing and vegetable oil industry. Food crops such as maize, wheat and rice were cited along with non-food crops, tea. A number of agro-based processing industries such as sugar, cashew processing and vegetable oil industry were also considered. However, the country and the region specific identification of specific Indian technologies was yet to be undertaken along with the question of supportive prices and suitable marketing strategy.

In fact, joint ventures in the area of agriculture could be established between Indian parties and parties in these countries for the production of maize, rice, wheat, beans, pulses, oil seeds, groundnuts, sunflowers, etc. away food crops and coffee, cotton, cashew, tobacco and tea among cash crops with buy back arrangement on the part of the Indian parties.

Diary farming is another such area. India's experience in setting up agriculture related institutes and universities could also be very useful
for establishing such institutions in some bigger countries and regional institutes in the smaller ones.

5.7.2 Energy Cooperation

Francophone West Africa region is also becoming an attractive source of energy in the recent years. A lot of the new proven reserves of oil and gas have been found in the Gulf of Guinea in the Western part of the African continent. These oil reserves are located in the Gulf of Guinea (offshore Benin, Cote d'Ivoire and Ghana), in the Atlantic Ocean (offshore Mauritania and Senegal) and in landlocked Niger. There are also significant reserves of natural gas in West Africa. West Africa contains approximately 32% of Africa's natural gas reserves. Field discoveries have been confirmed and reserves have been proven in Benin (43 Bcf); Cote d'Ivoire (1.1 trillion cubic feet--Tcf); Ghana (840 Bcf); Nigeria (124.0 Tcf); and Senegal (106 Bcf). Although natural gas is still in early stages of use in the region, several projects for the expansion of its use are under way.

Thus, oil and gas producing countries of this region have potential to cooperate with India in the energy sector based on a larger shared perspective. They can provide additional source for India's long-term energy security whereas Indian technological expertise and functional experiences in oil and gas sector are compatible to the production pattern of this region. This region provides an opportunity for India to evolve a broad based sustainable cooperation with the region, based on emerging dynamics of the global energy security and multiplicity of shared interests.
5.7.3 Rural and Small-Scale Industries

The rural and small-scale industries sector is another area of Indian specialization. Since the Francophone West African states economies were amenable to spatial inequalities, this sector has a vital role in building up rural-urban linkages as also to help within expensive inward looking low-cost labour-intensive development process. Since India has a sizeable small industries sector, a number of Francophone West African countries have increasingly appreciated the relevance of Indian production techniques and technologies in this respect.

India has used its small and medium enterprises as an engine for growth in the high technology sector. SMEs are being regarded as important to the job creation. This could not only strengthen the industrial base of these countries but also provide employment and income generation opportunities to the active working population, which is at present unemployed. India’s experience with small-scale industries could be of interest to these countries. India could assist these countries in establishing small-scale industries (SSI) in the field of agro-processing like sugar cane, forestry products, consumer durables and the light electrical and electronics industry. India can also set up industries in other sectors such as oil refining, food processing and preservation, hotel, mineral processing, small cement plants, granite and marbles. All these activities help in creating gainful employment and can increase income for these countries and particularly for those who live in the rural areas.
India could help in prospecting, exploration and development of mines and could provide a good market for many of the minerals, as well. In fact many of the Indian public sector undertakings like RITES, WAPCOS, HMT and MECON have contributed substantially towards development and improvement of small-scale industries in many African countries. India’s assistance could be helpful in the construction, completion and maintenance of their projects.43

5.7.4 Information Technology

India has an internationally recognized and growing expertise in the Information Technology (IT) sector. The IT is one major specific sector in which there is a huge scope for expansion in terms of co-operation between the Indian and the Francophone West African companies. India has offered technical trainings to these countries under the ITEC, which was established in 1964. This involved technical training, consultancy services and project assistance.

5.7.5 Transport and Communication

Most of the Francophone West African Countries are interested in improving their basic infrastructure in the transport sector, shipping and port facilities and they would welcome any help rendered in these areas. India with her experience of not only developing her own infrastructure but also of completing a number of turnkey jobs in these areas in the middle-east can do a lot to help these countries. Thus, the other areas such as airports, telecommunications, franchising, tourism, computers, software and peripherals, health

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43 Varshney, n. 27, p. 204.
care services and equipments, pharmaceuticals, security and safety equipments, water treatment equipment, industrial chemicals and packaging equipment etc. also offer best business prospects.

5.7.6 Housing

Housing has emerged as a promising area of cooperation between the two regions. India has proven expertise in low-cost housing.

5.7.7 Others

Indians could provide assistance in the field of techno-economic surveys, planning, preparation of feasibility and detailed project reports, entrepreneurship development and managerial assistance. Recognizing the fact that most African countries lack capital resources and entrepreneurs, it might be useful to think of starting many industries on a joint venture basis with the Africans and the Indians joining together. This is perhaps the easiest way of helping Africans to exploit their natural resources and translate their aspirations of economic development into a reality. The new intermediate technology developed in India has found wide acceptability in many developing countries in the form of joint ventures. Joint ventures could be established in the field of consumer industries specially because most African countries are importing all types of consumer goods. This cooperation, could then be extended from production to marketing and export as well.

The vast and unexploited natural resources of the Francophone West Africa and the vast Indian market could be linked together for mutual benefit of India and Francophone West Africa.
The governments of these countries have welcomed the participation and investment from the world community and other international financial organizations to all sectors ranging from infrastructure, service, social sector to the industrial and manufacturing sectors of the country. Certain sectors which are now consider as the promising for doing business are (1) Airport, (2) Telecommunication, (3) Franchising tourism, (4) Computer, software and peripherals, (5) Health care and social sector, (6) Pharmaceuticals, (7) Security and safety equipments, (8) Water treatment equipments and (9) Industrial chemicals etc.

There are certain thrust areas that have been identified in the Indo-Francophone West African countries investment cooperation, which are very vital for them. Following sectors provide the opportunity for investment.

(a) Setting of small and medium scale industries in agro-processing, textiles, leather and components for heavy and light industries including electrical and automotive industries,

(b) Processing of various produce like timber and local forest products.

(c) Setting up of Industrial Training Institutes (ITIs) to train manpower (Jewellery manufacturing and marketing, handicrafts).

(d) Service sectors with emphasis on hotel and tourism, health care, computer software and the institutions to provide basic education.

(e) Food processing and oil-refining.
(f) Drugs, pharmaceuticals and chemicals.

(g) Banking, insurance and communication sectors.

(h) Hotel management.

(i) Information technology.

(j) Engineering and equipment.

(k) Infrastructure including mining and housing.

(l) Transport including automobile, rail, vehicles etc.

(m) Coal washing.

(n) Construction and infrastructure development.

5.8 Potential sectors for Indian Investments in Francophone West Africa: country wise

5.8.1 Senegal

1. Textile, wearing apparel and garments; Packaging industry—Cardboard, metal, polypropylene etc; Manufacturing of electrical parts; Fruit processing; Dry cleaning facilities; Plastic products and Furniture.

2. Mining: Senegal offers good prospects for mining ventures. Its subsoil contains extensive deposits of phosphates, attapulgite, iron, marble, ilmenite, gold, peat, gas and oil, limestone and clay and diamond.

3. Tourism is one of the most vital sectors of the Senegalese economy. The government hopes to strengthen and diversify its tourist products. Senegal is the top tourist destination in the French speaking Africa.
4. The rapid development of information technology and its use in every field of activity has made it necessary for developing countries to follow the trend. Moreover, in the 21st century, modern economies will be based on technological skills and knowledge. Thus opportunities are wide to invest in telecommunications, computerization and sophisticated communication services.

5.8.2 Ivory Coast

1. Food processing sector: transfer of technology and setting up of plants of small and medium size for processing of cashew, cocoa, coffee, fruits like pineapple, oranges, grapes, bananas, sweet flour.

2. Vegetable oil extraction: Setting up of plants for extraction of oil from coconut and palm seeds. About 90 percent of the coconut is exported in raw form without any value addition. Therefore there is a great demand for setting up oil industries.

3. Pharmaceutical industry: - setting up plants and units for production of essential oils, infusions, cough syrup and genenic medicines for local and regional markets. Medical vehicle production unit, Hospital equipments and surgical instruments.

4. Chemicals- units for manufacture of paints, Varnishes, insecticides, soaps and detergents.

5. Agricultural machinery: - The manufacturing of agricultural equipment is not at all developed. Only recently a unit is being built for manufacture of tractors.
6. Rubber and coconut fiber mattress manufacturing unit: Every year Ivory Coast produces about 270 million tonnes of coconut. A unit for making use of the coconut fibre for manufacturing mattresses is proposed. It has been stated that if such a unit is setup, large profits may come from exporting to ECOWAS countries. Estimated investment cost is US $350000.

7. Industrial sulphuric acid plant: This project is for production, recycling or collection of sulphuric acid. The project envisages the following components, Identification of sulphur sources in Ivory Coast, execution of a used sulphuric acid collecting net work, Recycling and concentration of the acid, collecting of compounds necessary production of sulphuric acid, setting up of a sulphuric acid manufacturing plant.

8. Broken glass recycling unit – The average annual demand for glass containers is estimated at 12,914 tons, amounting to 7.06 billion francs. Main users are brewers, pharmacies, cosmetics and food industries. Estimated investment cost is US$ 1 million.

9. Stationary Items: There is a great scope for industries for the production of pens, pencils, inks, notebooks, diaries and other items connected with the students.

10. Textiles: fishing nets, mosquito nets, tissue yarns, surgical bandages, linen, cotton fabrics etc.

11. General Engineering: paper clips, staples and stapling machines, punching machines, duplicating paper, printing machines, paper products, sliding doors/windows/fittings,
nuts, bolts, asteners, aluminium and steel kitchen utensils, plastic household wares, toys, electrical appliances, cast iron products, cement plants, asbestos, galvanised sheets/pipes, bicycles and bicycles parts, two wheelers parts, trucks and buses spare parts, tyres and tubes, hand and machine tools, water pumps, tube-well machinery, housing machinery etc.

12. Rubber Industries: Natural rubber is available locally in plenty, which is exported without value added to it. Thus, the raw material can be utilized for manufacturing tyres, tubes, rubber belts and other allied products.

13. Meat Processing Units: There is a great scope for setting up meat processing industries as also setting up of slaughtering house.

14. High Technology: Manufacture of TV-Radio antennas, neon bulbs/tubes, solar refrigerators, solar lamps, solar water pumps, solar heaters, audio-visual equipment etc.

15. Mining Sector:

A. Iron Ore Extraction Plants: The iron ore deposit in the Mont-Klayoya is located in the Manregien about 350 km from San Pedro Harbour. The estimated reserves stand at 700 million tons with 34% iron. The goal is to exploit this deposit for producing over 300 million tons of pellets over 25-year period. Since investment level is very high, implementation of this project requires financial and technical contribution of large companies.
B. Oil and Gas: Ivory Coast has oil and gas reserves and it offers good prospects for mining ventures.

C. Dimension Stones: This project concerns production of granite blocks for export and of slices of polished granite for the domestic requirements. Deposits are found in Seguela (around 140 million cubic metres). The investments for exploitation of these deposits are estimated at 1.4 billion CFA francs.

5.8.3 Burkina Faso

Investment opportunities exist in the following sector of the economy:

1. Agriculture: Industrial units for manufacturing tractors, industrial units for the manufacturing pump sets for irrigation, industrial units for 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), setting up units for production of commercial farming (fruits, vegetables, Arabic gum, cotton).

2. Livestock: Small industrial units for milk processing (dairy plants) breweries, small industrial units for production of animal feeds, small industrial units of veterinary pharmaceutical products, meat processing, small units for leather, cattle rearing-ranching and poultry.

3. Mining:

A. Mineral exploration: The rich land of Burkina Faso (in terms of mineral potential) is under process of development, the government is encouraging national and multinational
companies to invest in exploration in view of discovery of new deposits. At present 17 multinational companies are engaged in mineral exploration.

B. Exploitation of mineral resources: Till date the rich mineral potential of Burkina Faso is not sufficiently exploited. Actually gold is the only mineral deposit that is exploited properly.

4. Service Sector:

A. Culture: Audio Visual industries (production of cassettes, records and musical instruments), Handicraft industries, Cinematography industries, Media and Communication industries.

B. Tourism: Investment in hotels, investment in lodges, and in hunting farms.

C. Other Services: In addition to the tourism and culture industries, investment in the following services can be profitable and are encouraged by the government. Health (private clinics, pharmaceutical industries, medical technology production), Technical education institutions, Construction business and civil engineering, industrial maintenance, infrastructure services, development banking and commercial banking, micro financing services, insurance, water supply and drainage.

5. Industry: Industrial investments are welcome in all the sectors particularly at the level of small and medium scale industries. However the priorities are following branches:

- Cotton processing and textile industries.
- Cereal processing, fruit and Vegetable processing.
- Oil seed processing (groundnuts, sesame, karate nuts, Soya and cotton seeds).
- Milk processing, meat processing, leather processing.
- Metal work industries, mining industries, construction material industries.
- Chemical and fertilizers industries, pharmaceutical products industries.

5.9 Multilateral Cooperation

The imperatives of India’s recently globalize and liberalized economy make it necessary that the Francophone West African as well as other third world countries are more seriously explored. Economically Francophone West African countries offer enormous scope for mutually beneficial south-south trade and commercial linkages in the spirit of South-South Cooperation with India. Strive for collectivity and South-South Cooperation takes India and these countries to the area of economic cooperation. Thus, a strong and positive partnership between India and these countries could prove beneficial to the whole range of Indo-African relations and south-south cooperation. The economic relations between India and these countries have opened enormous new opportunities for enhanced south-south cooperation. India and these countries are hoping to give a new dimension to South-South cooperation by bringing the economies of Asia, Africa and Latin America closer together. The imperatives of south-south
cooperation make it necessary that the Indo-Francophone West African states relations should be strengthen. Thus, it is important for India and these countries to work out adequate policy packages, institutional structures, technologies, and inter-regional development schemes etc. to develop mutually beneficial and effective linkages in the spirit of South-South cooperation.

The regional groupings give additional dimensions to growing bilateral relations between India and Francophone West African states. They provide a framework for promoting technical cooperation in all fields of economic activity and seek to promote and facilitate increased trade and investment flows between India and Francophone West African states. Regional groupings are acting as a catalyst and forum for regular consultations among Francophone West African states and India. They are ideal vehicle for advancing the collective interests of the member countries. Cooperation among the member countries of these regional groupings is also significant for their national interest and strategic support to each other such as in UN.

The regional cooperation through NAM, G-77 and G-15 in south-south cooperation framework or interregional cooperation like through ECOWAS provides India and these countries with newer opportunities and challenges. The regional groupings are working to promote sustained growth and balanced development of the region and of the member states and have added a fresh impetus to growth of south-

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south cooperation. Given their membership of several multilateral fora such as G-15, G-77, NAM and their common endeavour to set up a just and equitable world order, the renewed contact at the highest political level underlined the need for strategic consultations between them.

The formation of the WTO throws challenges and opportunities to developing countries in the new global trading system. Acceptance by the WTO of regional trading bloc’s as effective institutions to facilitate global trade has made the situation vulnerable for those countries, which do not belong to any effective regional trade blocs. The factors endorse the need for the establishment of a comprehensive and effective regional forum. The only way for many developing countries in the south to avoid economic marginalization is to seek membership of a key, trading group. The regional groupings like NAM, G-77 and G-15 offers the potential for it.\(^5\)

5.9.1 NAM

NAM becomes more effective in international relations with its growing popularity in 1970s onwards. The increase in member states in NAM changed its complexion and some of the ideological positions have also undergone a change. A plea for increased job particularly on the concerns of economic matters has changed the NAM issues. 1970s saw that NAM increased its own pressure for north-south debate and share international economic benefits articulated the main issues of new international economic orders. NAM asked for more co-operative

\(^{45}\) ibid.
relationships between South-South. The dialogue on north-south issue among the NAM states suggests that this remained a major NAM concern in 1980s and 1990s.\textsuperscript{46} The replacement of political agenda by economic issues was natural outcome of the international situation where political differences have disappeared with the end of cold war situation. The new developments in international scenario have limited meaning and the third world crisis remains the same. The new actors in international relations have emerged with definite ethnic characteristics, facing grave economic crisis and are being constantly shattered by domestic violence and internal problems. The NAM states supported the idea of increasing the south-south cooperation in this situation. Thus, the South-South Cooperation has remained a major plea for NAM.\textsuperscript{47} The developing countries faced even more serious problems of economic development and economic situations under these compulsions. The agenda of NAM has also to reflect the changes.

The sustainable economic growth and development can be pursued within the context of the NAM and within the axis of South-South Cooperation. NAM addresses the asymmetries and imbalances of the global economy and it developed strategies to promote the economic and social empowerment of the South. The non-aligned nations have


\textsuperscript{47} ibid and also see, M.S. Rajan, \textit{Nonalignment and the Nonaligned Movement in the Present World Order}, (Delhi, Konark Publishers, 1994).
adopted economic cooperation among themselves as an alternative means to reduce their dependence on the industrially advanced countries. The concept of South-South Cooperation has emerged as a universal principle, both as a strategy in support of the development efforts of the developing countries and as an instrument for promoting Collective Self-Reliance in order to ensure their effective participation in the international economic system. It is realized that strengthening of South-South Cooperation was necessary to create a more truly interdependent global economic order. It is in this context that role of industrially more advanced countries like India has become more crucial. The issues which have concerned the NAM after the end of cold war appeared to be in nature of economic, technological and more in the direction of cooperation and became less ideological and political. It may be underlined that the bilateral problems, issues and tensions among the NAM states do remain and reduce the chances of mutual cooperation. However, the economic issues and their needs have toned down the political difference to a significant level.

The issues, which concern the developing world, including the NAM, remained the exploitative nature of natural resources by industrial and developed world. The deprivations and backwardness among the developing states were their major concerns. The NAM showed greater unity on these issues. NAM demanded that multilateral debts of low-income developing countries be written off.\textsuperscript{48} The issue of cooperation

\textsuperscript{48} Chaturvedi, n. 46, p. 366.
among south-south states has been further increased when various regional group formations have taken place both at international and regional level. Many of the issues with which the NAM has been concerned—poverty and the gap between rich and poor, global security, environmental conservation have assumed even greater significance.

There is consensus within NAM on a number of challenges, which developing countries are facing. These include the nuclear disarmament, fighting against international terrorism, the marginalisation of developing countries in the process of globalization, the critical economic situation in Africa, the promotion of democratic participation at the national and international level as well as new challenges. Such as transnational crime, international drug trafficking and HIV/AIDS. NAM also recognized the need for constructive dialogue with the north, aimed at the resolution of global problems.49 Thus, the need for wider, powerful and effective international fora remains essential and from this point of view NAM attains more urgency for developing states belonging to Asia, Africa and Latin America.

India and other members of NAM are trying to give a new direction to the movement (NAM). It is imperative therefore, that India and Francophone West African states take into consideration the changed international scenario. The focus should new inevitably be on trade and economics. NAM should now concentrate on constructive engagement. Member-states could use NAM to lobby their cause and

protect their interest more effectively. Difference between the
developed and the developing have not disappeared and the need for
institutions like NAM will be to bridge this gap. Members of NAM
reaffirm their belief in the vitality and crucial importance of the non-
aligned movement as a vehicle for safeguarding the independence of
thought and autonomy of action of its members, as an instrument for
extending the principles of democracy and freedom in international
affairs, in promoting the objectives of a world free of nuclear weapons,
and as a mechanism for furthering the impulse for an equal world.
Members of NAM, therefore resolve to work for NAM's increasing
effectiveness in the promotion of political and socio-economic justice
and disarmament. NAM can be revitalize by the cooperation between
India and Francophone West African states. It will further enhance the
prospects of more genuine South-South Cooperation. The need for UN
reforms and expansion of Security Council to provide a constructive
voice to the aspirations of the developing countries and the need for
reforming the World Bank and International Monetary Fund attend
significance in changing world scenario. The decisive international and
coordination of both India and Francophone West African states on the
ongoing debate about the reform and expansion of the UN Security
Council well as World Bank and IMF is critical. This may add
momentum to the emerging Afro-Asian Cooperation and consultations.
With Africa functioning as a bridgehead to expanding ties with Latin
America and the Caribbean, a necessary critical mass in multilateral
negotiations might be created. This will benefit the countries of the
South. India and the Francophone West African countries agree to consult and collaborate with each other in forums such as the United Nations and the World Trade Organization and to make full use of their partnership within Non-Aligned Movement to articulate this concern. They also agree to coordinate their efforts in their mutual endeavour to capture the new opportunities for South-South cooperation and to help build capacities among the least developed countries (LDCs).

5.9.2 Group of 77

In the post-Nehru period, the 'Group of 77' came to be recognized as the authentic voice of the poor and the depressed, they represented three-fourths of the world's humanity. The Group of 77 became principal forum and instrument respectively of the non-aligned countries in the UN for achieving the required changes in the international economic relations. The non-aligned nations constitute the majority of members of the Group of 77 (presently 134 members including some aligned states) continuously exert pressure on the international community to reform the prevailing economic and monetary systems. Policy guidelines for the reinforcement of collective self-reliance have been concretized by the NAM since the formation of the Group of 77. To secure economic and trade cooperation among them, the developing countries are trying to coordinate in their policies over different issues to be pursued with the G-77. The economic and technical cooperation (ECDC and TCPC) among developing countries

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50 Tripathi, n. 10, p. 12.
soon evolved as a central thrust area of the 'Group of 77' and 'NAM'. The G-77 conferences on 'ECDC' in 1976 and 1981, identified many subjects and assigned them to a large number of meetings of 'Expert Group', 'High level Group', 'Head of agencies' and other governmental fora. Thus, the basis for Third World political solidarity on international economic issues was laid.51

After Nehru, economic cooperation with the developing countries was for India not merely a policy but a firm commitment. It was because of this that India had been playing a prominent role in sponsoring economic cooperation as an integral programme among the G-77 and non-aligned countries. India had laid greater stress on mutually beneficial economic relationship to underscore the significance of south-south collective self-reliance. The economic and technical cooperation among developing countries had thus evolved as a central concern of the G-77 fora and NAM. The third world countries have undergone a change during last few years and most important of all was the new emphasis on economic diplomacy. South-south cooperation had by now become the new mantra of the G-77 and NAM. The G-77, recently in its first south summit at Havana in Cuba, held on April 10-14, 2000 adopted "Havana Programme of Action" with a view to achieve an 'action oriented agenda geared to implementing a number of high priority initiatives within specified time frames'. The

51 ibid.
summit noted and chalked out following action oriented programmes as regards south-south cooperation:52

(1) To renew efforts to stimulate the expansion of the south-south trade and investment in order to accelerate economic growth and development of the south.

(2) To strengthen cooperation in the monetary and financial field which includes the initiative of G-77 chamber of commerce and industry to establish a G-77 Trade Development Bank with its headquarters in Nairobi and branches in all regions of G-77. Also to review the proposal of the establishment of a south-south commodity price stabilization fund.

(3) To strengthen cooperation in promoting social development including the enhancing of capacity building and human resources.

(4) To promote multilateral cooperation and arrangements towards the expansion of south-south cooperation. Also to invite developing countries as well as developed countries to contribute generously to the UNDP Trust Fund on south-south cooperation with a view to supporting promotion and the implementation of south-south projects and initiatives adopted by G-77 south summit.

Thus, in realizing its own broad potential, the Group of 77 has given increasing attention to the idea of individual and collective self-reliance and has provided new impetus to economic cooperation

52 Ibid, p. 12.
among developing countries like India and Francophone West African countries in the framework of South-South Cooperation.

5.9.3 Group of 15

At the initiative of India, a summit level group for south-south consultation and cooperation known as G-15 was established by ninth NAM summit at Belgrade in 1989. Since 1990 the G-15 (now includes 17 members) has been organizing its summit level meetings on annual basis. The goals of G-15 include fruitful debate on economic issues among developing countries which aims at increasing the level of contacts among themselves; to bring comprehensive and intense cooperation in the economic sphere; to develop economies of member countries by exchange of information, technology, to forge unity and solidarity among themselves with a view to change the intransigent and hostile attitude and policies of developed nations and also to pressurize them for aforesaid all objectives. G-15 reflects the quest of the developing countries to find ways and means of cooperation among themselves to mutual advantage. G-15 insists on an equitable economic order, which will help combat unemployment and poverty. The main thrust of G-15 remained to develop trade contacts and also to promote technological know how among the member states. This group opposed to trade barriers among the states, which hamper the free flow. The G-15 is committed to play a catalytic role in fostering south-south cooperation. It is now

53 ibid, p. 12.
clear that the G-15 has become action-oriented in promoting south-south cooperation.

Since 1990 the G-15 has been organizing its summit level meetings on annual basis. The first summit of G-15 held at Kuala Lumpur in June 1990 in its joint communique listed several agreements among the 15 developing countries for increasing south-south cooperation and for adopting an agreed stand at the Uruguay round of Trade talks, under GATT. It also called for North-South Cooperation, end of buyer's conference, and immediate steps for securing GSTP (Global System of Trade Preferences) among Third World Countries. This idea was evolved for securing increased trade cooperation and relations among the developing countries.

The G-15 held its second summit meeting at Caracas in November 1991 and discussed new directions of development, mutual cooperation among developing countries, and meaningful dialogue between developing and developed countries after the end of the cold war. The third G-15 summit at Dakar in Senegal in November 1992 appealed to bridge the gap between the rich and poor nations. The fourth summit of G-15 countries held at New Delhi in March 1994 dwelt upon three important issues; south-south consultation and cooperation, restructuring the UN and GATT. The fifth summit of G-15 at Buenos Aires in Argentina in 1995 asked for increase in transfer of technology and regulation of the flow of resources and also of making necessary changes in world institutions for reforming

54 ibid.
international economic relations. The sixth summit at Harare in Zimbabwe in 1996 again but emphasis on economic reforms in the context of globalization and mutual cooperation among developing countries for achieving maximum advantage out of opportunities presented by increasing process of liberalization and regional trade agreement. The summit also demanded preferential treatment of developing countries in all international trade. At this G-15 Summit at Harare, the Indian Prime Minister announced a fund of Rs.100 crores to assist the developing countries of Africa.55

The seventh G-15 summit at Kuala Lumpur in November 1997 raised the apprehensions about WTO among developing countries and pointed out the existing integral flaws in the WTO. It also provided occasions for substantive bilateral interaction and exchange of views on international issues between leaders of several Francophone West African countries and India.

The next summit at Cairo in May 1998, concentrated on the issue of development of international financial markets and multilateral trade system and also to reduce the gap between investment and trade in the interest of developing countries. The ninth summit of G-15 countries at Mantego Bay in Jamaica in 1999 criticized the discriminatory policies of IMF towards developing countries. The summit demanded the inclusion of the views of developing countries in restructuring of International Financial System, which was over due.

55 Government of India, n. 29, p. 54.
The tenth summit of G-15 held at Cairo on June 19-20, 2000 concentrated on the theme 'development of the world at the dawn of 21st century' in continuation with the spirit of creating a new global environment. The eleventh G-15 summit at Jakarta on 28-30 May 2001, again reiterated its commitment for mutual cooperation.

India and Senegal are also partners within the G-15 group of developing countries and India is undertaking a number of projects in Senegal aimed at a practical demonstration of her commitment to South-South Cooperation. An Entrepreneurial Training and Development Centre (ETDC), built with Indian technical and financial assistance under G-15 at an estimated cost of US $ 4.49 million by HMT (I), was handed over to the Government of Senegal on 16 June 2000.

5.9.4 ECOWAS

The basic responsibility for development rests with individual countries, yet regional cooperation is an important factor to strengthen national efforts. Therefore, economic groupings like ECOWAS are expected to play a greater role in economic integration and development of Africa. ECOWAS is a regional organization of 16 West African states consisting of Burkina Faso, Benin, Cote d'Ivoire, Cape Verde, Guinea, Gambia, Guinea-Bissau, Ghana, Liberia, Mauritania, Mali, Niger, Nigeria, Senegal, Sierra Leone and Togo. It is the largest common market accounting more than 250 million

56 Government of India, n. 28, p. 57.
57 Government of India, n. 35, p. 51.
consumers. ECOWAS was formed in May 1975 by 15 states with the
signing of the treaty of Logos with a vision of promoting trade
cooperation and self-reliance in West Africa. A revised ECOWAS
treaty, designed to accelerate and to increase political cooperation was
signed in July 1993.\textsuperscript{58}

With the emergence of regional groupings like ECOWAS, it is
worthwhile to consider bilateral trade as a part of the larger
arrangement of intra and inter-regional levels. The regional groupings
contain a number of explicit advantages. They constitute an important
initiative for regional and global cooperation, through facilitation of
free trade and investment flows. It counters the risk of marginalization
of states of South (Afro-Asian countries). The regional groupings gives
an additional dimensions to growing bilateral relations between India
and these countries. They provide a framework for promoting
technical cooperation in all fields of economic activity and seek to
promote and facilitate increased trade and investment flows. Regional
groupings are acting as a catalyst and forum for regular
consultations\textsuperscript{59} among these countries and India. They are ideal
vehicle for advancing the collective interests of the member countries.
India recognizes the growing importance of multilateral economic links
as a natural corollary of a globalising, interdependent world economy
and as an important instrument to fully exploit the immense
opportunities for economic cooperation with the peoples of Africa.\textsuperscript{60}

\textsuperscript{58} Regional Organizations, \textit{Africa, South of Sahara}, (London, Europa Yearbook, 2001)
\textsuperscript{60} Government of India, n. 28, p. 58.
During the year 1996, India was engaged in constructing relations of partnership and cooperation with regional organizations like Economic Community of West African States (ECOWAS), United Nations Economic Commission for Africa (UNECA) and African Development Bank. India was an active participant at the partnership meeting of the UNECA at Addis Ababa in April 1996. Special Envoys of the Prime Minister and the Minister of External Affairs were also deputed to represent India at the Summit and ministerial meetings of the ECOWAS in Abuja in July 1996. India also participated in the Tokyo International Conference on African Development (TICAD) at Abidjan in July 1996.\(^6\)

The need for an export market and the challenge of the developed economies induce India to develop closer ties with members of ECOWAS and its 250 million peoples.\(^6\) India can have wide ranging cooperation with these countries in areas related to trade, joint ventures and human resources development projects and can be in addition to the facilities already being offered bilaterally to member countries of ECOWAS. India and these countries can support each other efforts to cooperation in their respective regions and mutually consult on matter relating to regional and global security.

Recognizing the emergence of regional groupings as motive forces of economic growth and prosperity in Africa, government has also

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\(^6\) Government of India, n. 32, p. 54.
embarked upon a programme of strengthening institutional linkages between India and these groupings.63

The regional groupings have potential to boost India-Francophone West Africa economic interaction. They gave an additional dimension to their growing bilateral relations. Meanwhile the trade prospects among India and Francophone West African states as well as other economic cooperation needs to be thoroughly investigated as the opportunity and potential which the region (these economies) have not fully exploited so far.

5.9.5.1 ECOMOG

When the founding fathers of the Economic Community West African States (ECOWAS) reached the historic accord to establish the subregional body in 1973, the focus was on the integration of the region to accelerate economic progress. However, it was obvious that conflicts and the likelihood of instability could not be wished away, since West Africa was characterised by economic backwardness, ethno-religious divergence and political rancour. The spontaneous formation of the ECOWAS Monitoring Group (ECOMOG) in August 1990 was therefore a direct response to the realities of the earlier omission of security concerns from the organization and its agenda. Thus, the ECOWAS was formally assigned with the responsibility of preventing and settling regional conflicts. The ECOWAS Monitoring Group (ECOMOG) is the peacekeeping arm of ECOWAS. It is the first

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63 Government of India, n. 34, p.58.
such group to be established by a regional body. Within the relatively short period of its existence, ECOMOG has gone full circle from peacekeeping and peace enforcement in Liberia, to restorative intervention in Sierra Leone and Guinea Bissau.\textsuperscript{64}

ECOMOG forces have been deployed previously in civil conflicts in Liberia. ECOMOG can rightly claim credit for establishing peace in Liberia. In addition, ECOMOG forces have been deployed to Guinea-Bissau and Sierra Leone as well, to tackle conflicts in those states. The recent civil wars and other political unrest in some West African countries have clearly revealed the validity of the protocols for internal intervention to establish social and political stability in these states. Senegal announced in November 2002 that it is to boost its contribution to the ECOWAS military mission to Cote d'Ivoire and provide the Force Commander. Five countries, Benin, Ghana, Niger, Senegal and Togo, are contributing the 1,264 troops for the first phase of the mission. The force will take over from French troops who have been monitoring the October 17, 2002 agreement for the cessation of hostilities under an agreement involving ECOWAS, France and the government of Cote d'Ivoire. Nigeria will also participate in the mission and it has pledged to provide medical and signal teams as its contribution. Talks continue with representatives of the Patriotic

Movement for Côte d'Ivoire (MPCI), the rebel group that has taken control of several cities in the northern portion of the country.\textsuperscript{65} ECOWAS is seeking international support to enable it train and equip the 15 battalions of troops pledged by member states as standby units for its peacekeeping force, ECOMOG.\textsuperscript{66} The training of the composite units will facilitate their effectiveness in peacekeeping, humanitarian assistance and other missions for which they could be deployed. India could fit in this role and assist them given its experience in the peacekeeping operations in Africa under UN flag.

5.10 Conclusion
Although there are few Indian collaborative ventures in Francophone West African states but there are definitely some progress in economic and technological cooperation between India and these countries. In general, however, it should be stressed that India-Francophone West Africa relations still remain far from a level to be desired. They need to seize the existing opportunities from a long-term perspective, for the simple reason that their ties are not only complementary but also enduring. A strong and positive partnership between India and this region is necessary for the growth and development of the south. Realizing the importance of this region, the Indian government as well as business community is trying to strengthen the relations with this region.
Thus, a significant element of India's relationship with Francophone West Africa is the growing level of economic interaction. Endeavours in the area of economic cooperation were particularly significant for the growing appreciation across the Francophone West African region of India's prowess and its special relevance to them in the fields of small and medium-scale industrial enterprises, and agriculture. The already well-established respect for India's expertise in the human development sector was also reinforced.

India and these countries have coordinated with each other at the various multilateral fora like UN, NAM, G-77 and G-15 in the true spirit of South-South Cooperation. As the members of the third world fora like NAM, G-77 and G-15 etc, they share common views on almost every international issue and committed to strengthening their relationship in the genuine spirit of south-south cooperation. Further more the regional groupings give additional dimensions to growing bilateral relations between India and these countries. They provide a framework for promoting technical cooperation in all fields of economic activity and seek to promote and facilitate increased trade and investment flows between India and Francophone West African countries. They are acting as a catalyst and forum for regular consultations among these countries and India.

The idea of promoting south-south cooperation at the economic level is a laudable one and needs to be continuously explored. This is even more necessary due to rapid changes in the global system.