

## **INDIA-TANZANIA RELATIONS**

Tanzania and India have traditionally enjoyed close, friendly and co-operative relations. From the 1960s to the 1980s the political relationship was driven largely by shared ideological commitments to anti-colonialism, anti-racism, socialism in various forms as well as genuine desire for South-South Cooperation. Former President Julius Nyerere was held in high esteem in India; He was conferred Jawaharlal Nehru Award for International Understanding for 1974, and International Gandhi Peace Prize for 1995. India and Tanzania worked closely together in international fora. In the post-Cold War readjustment of policies, India and Tanzania both initiated economic reform programmes around the same time with external relations aimed at broader international political and economic engagement, cultivation of international business relationships and promotion of foreign investment. In recent years Indo-Tanzanian ties have evolved into a modern and pragmatic relationship with greater and diversified economic engagement.

The High Commission of India in Dar es Salaam was set up on November 19, 1961 and the Consulate General of India in Zanzibar was set up on October 23, 1974.

### **High Level Visits**

The two countries enjoyed a tradition of high level exchanges between India and Tanzania. In the post-Nyerere period, the following high level visits have been exchanged:-

### **Major visits from India in the last decade**

Shri Yashwant Sinha, Hon'ble Minister of External Affairs	6 <sup>th</sup> Joint Commission meeting, 25-28 April 2003
Shri APJ Abdul Kalam, Hon'ble President	11-13 September 2004
Shri Anand Sharma, Hon'ble Minister of State for External Affairs	27-30 August 2008 for inauguration of the 10 <sup>th</sup> Regional Conclave on India-Africa Project partnership.
Smt. Meira Kumar, Hon'ble Speaker, Lok Sabha, accompanied by 54 member strong delegation	to attend the 55 <sup>th</sup> Commonwealth Parliamentary Conference from 28 September to 6 October, 2009 in Arusha
Shri Vayalar Ravi, Hon'ble Minister for Overseas Indian Affairs	29-31 January 2010
Shri Manmohan Singh, Hon'ble Prime Minister of India	26-28 May, 2011
Shri Vilasrao Deshmukh, Hon'ble Minister of Science & Technology and Earth Sciences	Visited Tanzania to participate in the Celebrations to mark the 50 years of Tanzania Mainland's Independence during 7-10 December, 2011.
Shri Beni Prasad Verma, Hon'ble Minister of Steel	Visited Tanzania during 5-7 April, 2013 to hold bilateral talks with the Ministry of Energy and Minerals, United Republic of Tanzania.
Smt. Preneet Kaur, Hon'ble Minister of State for External Affairs	Visited Tanzania from 8-10 July, 2013 for bilateral talks and to co-Chair the eighth Session of the India-Tanzania Joint Commission Meeting.

### Major visits from Tanzania in the last decade

H.E. President Benjamin William Mkapa	15-21 December 2002
H.E. Mr. Amani Abeid Karume, President of Zanzibar	7-12 March 2004
H.E. Ms. Asha Rose Mgiro, Foreign Minister	7-12 March 2004
Hon. Mr. Basil Mramba, Minister for Industry and Trade	Joint Trade Committee Meeting in May 2007
H.E. Dr Ali Mohamed Shein, Vice President	18-24 March 2008
H.E. President Jakaya Mrisho Kikwete	April 2008 to co-Chair the First India-Africa Forum Summit

H.E. Prof. David H. Mwakyusa, Minister for Health and Family Welfare	January 2009 to co-Chair the 7 <sup>th</sup> Session of Joint Commission meeting in New Delhi.
H.E. Mr. Mizengo Kayanza Peter Pinda, Prime Minister accompanied by Tanzanian Minister for Agriculture, and Zanzibar Minister for Agriculture	13-17 September, 2009
Hon. Mr. William Ngeleja Minister for Energy and Minerals, along with senior officials	7-9 December 2009 to attend the 2 <sup>nd</sup> India-Africa Hydro Carbon Conference in New Delhi organized by FICCI.
H.E. Mr. Samuel John Sitta, Speaker of Bunge	4-9 January, 2010 to attend the 20 <sup>th</sup> Conference of Commonwealth Speakers and Presiding Officers.
Hon. Dr. Mary Nagu, Minister for Investment and Empowerment	to attend the 7th CII Exim Bank Conclave on India Africa Project Partnership in New Delhi from 27-29 March, 2011
Hon. Mr. Mustafa H. Mkulo, Minister for Finance and Economic Affairs	to sign the Agreement on 28th March, 2011 for the GOI-supported Exim Bank Line of Credit of US\$ 36.56 million on the sidelines of the 7th CII Exim Bank Conclave.
Hon. Prof. Makame Mbarawa, Minister of Communication Science and Technology	to attend the second India Africa Partnership Summit during 11-13 October 2011 in Hyderabad.
Hon. Mr. Mustafa H. Mkulo, Hon'ble Minister for Finance	Visited India to attend the 8 <sup>th</sup> CII Exim Bank Conclave held in New Delhi on 18-20 March, 2012.
Hon. Dr. Hussein Ali Mwinyi, Minister of Defence and National Service	Visited India to attend Def Expo in New Delhi from March 29 to April 01, 2012.
H.E. Ms. Anne Makinda, Speaker, National Assembly	Visited India to attend the 7 <sup>th</sup> Meeting of Women Speakers of Parliament held on October 3-4, 2012 at New Delhi.
Hon. Dr. Abdallah Omari Kigoda [MP], Minister of Industry & Trade	Visited India to attend the IOR-ARC Ministerial Meeting in Gurgaon from October 29, 2012 to November 2, 2012.
Hon. Prof. Makame Mbarawa MP, Hon'ble Minister of Communication Science & Technology accompanied by Minister of Health and Social Welfare	Visited India to attend the 9th edition of CII-Exim Bank Conclave on India-Africa Partnership from 17-19 March, 2013 at New Delhi

### **Important Bilateral Treaties, Agreements, MOUs, etc**

Agreement on Friendship and Technical, Economic and Scientific Cooperation	28 January 1966
Trade Agreements – 12 December, 1972	(14 January 2000): Pursuant to the agreement a Joint Trade Committee was established.
MoU on Technical Cooperation in the field of Posts and Telecommunications	Signed on December 12, 1996.
Agreement on the establishment of Joint Business Council	Signed on June 25, 1997.
MOU for Co-operation in the field of Agriculture and Allied Sectors	Signed on 16th December, 2002 during the visit of President Benjamin William Mkapa to India
Agreement in the field of Health & Medicine	Signed on 16th December, 2002 during the visit of President Benjamin William Mkapa to India
MoU on Exchange Programme on Co-operation in the field of Education	Signed on 27th April, 2003
MOU on Defence Cooperation	Signed on 1st October 2003 in New Delhi
Agreement on Waiving Tanzania's Outstanding Loans	Signed during the visit of President Dr. A.P.J. Abdul Kalam to Tanzania from 11-14 September, 2004.
Agreement on Cooperation in Information Technology and Services	Signed during the visit of President Dr. A.P.J. Abdul Kalam to Tanzania from 11-14 September, 2004.
2 <sup>nd</sup> Joint Trade Committee [Agreed Minutes]	The Second meeting of the JTC was held in New Delhi from 16-18 May 2007.
PTA/FTA	Signed the Letter of Intent in June 2008
MoU on Preliminary Joint Venture Agreement between National Social Security Fund, Tanzania and Apollo Hospitals, India	Signed during the visit of Prime Minister to Tanzania from 26-28 May, 2011.
Agreement on Double Taxation and Prevention of Fiscal Evasion [DTAA] [Earlier DTAA was signed on September 5, 1979]	Signed during the visit of Prime Minister to Tanzania from 26-28 May, 2011.
Joint Action Plan between National Small Industries Corporation Ltd [NSIC] and Small Industries Development Organisation [SIDO]	Signed during the visit of Prime Minister to Tanzania from 26-28 May, 2011.
Letter of Intent [LOI] of cooperation between India and Tanzania in mining and steel sectors	6 <sup>th</sup> April 2013 during the visit of Minister of Steel to Tanzania.
8 <sup>th</sup> Joint Commission [Agreed Minutes]	9 <sup>th</sup> July, 2013 during the visit of MOS [PK] to Tanzania

### **Agreements with Regional Organizations**

**EAC:** MOU on Economic Cooperation between India and East African Community (28 April 2003). An EAC delegation led by Hon. John Arap Koech, Chairperson of the EAC Council of Ministers and Minister for East African Community of the Republic of Kenya paid a six day official visit to India from 19 to 24 February 2007. A joint communiqué was

signed on 22 February 2007 which spelt out a programme of India-EAC cooperation in various sectors.

Dr. Richard Sezibera, Secretary General, EAC, visited India to attend the Meeting of Regional Economic Communities during 8-9 November, 2011.

### **Non-Governmental Agreements**

Agreement on the Establishment of **Joint Business Council** between **FICCI & ASSOCHAM**, and Tanzania Chamber of Commerce, Industry & Agriculture [**TCCIA**] [25 June 1997]

**MOU between CII and Confederation of Tanzanian Industries** [CTI] [4 October 1996]

**MOU between Confederation of Indian Industry [CII] and East African Business Council** [EABC] [27 August 1999].

**MoU between Indian Institute of Foreign Trade [IIFT] and the Institute of Financial Management [IFM], Dar-es-Salaam** was signed in December 2000, offering a two-year MBA [International Business] and one-and-a-half year Executive Masters in International Business at Dar-es-Salaam.

**MOU between Indian Institute of Materials Managements [IIMM] and National Board of Materials Management of Tanzania** was signed in May 2006 for institutional cooperation.

**MoU between the Government of the State of Gujarat and the Tanzania Investment Centre [TIC]** was signed in Dar-es-Salaam on July 19, 2012.

**MoU between CII and Tanzania Chamber of Commerce, Industry and Agriculture [TCCIA]** was signed on 28<sup>th</sup> March, 2013.

### **Commercial and Economic Relations, Trade and Investments**

India and Tanzania have a vibrant business and commercial relationship driven by the presence of a large community of Tanzanians of Indian origin. India is a leading trading and investment partner of Tanzania as well as an important source of essential machinery and pharmaceutical products. Many of the top business establishments of Tanzania are owned by persons of Indian origin.

India has been one of Tanzania's largest trade partner as per the figures given below :

<b>India's export to Tanzania [in million US dollars]</b>									
<b>Year</b>	Jan-May,13	2012	2011	2010	2009	2008	2007	2006	2005
	715.17	880.63	1564.95	895.01	772.87	859.73	512.40	237.02	191.21
<b>Tanzania's exports to India [in million US dollars]</b>									
<b>Year</b>	Jan-May,13	2012	2011	2010	2009	2008	2007	2006	2005
	435.19	480.10	207.99	226.19	187.58	171.82	78.65	56.56	64.18
<b>TOTAL</b>	<b>1150.36</b>	<b>1360.73</b>	<b>1772.94</b>	<b>1121.2</b>	<b>960.45</b>	<b>1031.55</b>	<b>591.05</b>	<b>293.58</b>	<b>255.39</b>

[ Source : Tanzania Revenue Authority]

After a large increase in Indian exports to Tanzania in 2011, there was a decline in 2012, primarily on account of a drop in import of petroleum products consequent to the decision of the Government of Tanzania to opt for tender system for bulk import of petroleum products with effect from January 2012. Bilateral trade in 2013 has picked up and in the first five months is almost at the level of 2012. Tanzania's traditional and non-traditional exports to India is growing at a rapid pace and the trade gap is narrowing.

Tanzania's major imports from India include mineral fuels, oils, pharmaceuticals, motor vehicles [including auto parts], electrical machinery/ equipment, yarn, apparel & clothing, articles of iron & steel, plastic products including synthetic polymers, inorganic/organic/agro-chemicals, rubber items including tyres, cotton fabrics, etc.

Tanzania's major exports to India include cashew nuts, gold, pulses, wood, ores and metal scrap, gemstones, cloves & other spices, tanning/dyeing, coloring materials, non-ferrous metals, essential oils and cosmetic preparators, leather etc.

India's economic engagement with Tanzania has also increased with a cumulative investment of US\$ 1834 million [1990-2012] which is supporting employment for 50,224 in 341 projects, as per Tanzanian official sources. Tanzanian investments in India are a little over US\$ 1 million as per DIPP. An amount of US\$ 497.10 million has been invested by Indian companies in EPZ sector generating employment for 3644 persons by 18 companies.

### **'India Show' in September, 2013**

Confederation of Indian Industry [CII], in association with the High Commission of India and with the support of the Ministry of Commerce and Industry is organizing an '*India Show*' on 22-25 September, 2013 at Dar-es-Salaam. More than 100 India companies are expected to participate in the event.

### **Major Indian Projects in Tanzania**

Tanzania's most important hydrocarbon discovery- natural gas reserves at Songo Songo island located at a distance of 25 kms from the east coast, was made by **ONGC in 1974**.

In 1997, **ONGC Videsh Limited** was requested by TPDC for assistance in the re-evaluation of drilled well MITA -1, part of onshore oil exploration program on the Mandawa Block in eastern Tanzania. [OVL provided the consultancy service free of charge].

In **2004 Larsen & Toubro Ltd.** constructed a gas processing plant at Songo Songo, a 25 km marine pipeline and a 220 km land pipeline [contract valued at **\$100 million**].

The **Central Mine Planning and Design Institute Limited, Ranchi** carried out detailed pre-feasibility and feasibility studies in respect of Mchuchuma-Katewaka coal reserves in the mid-1990s.

The only Indian company currently active in the mineral sector in Tanzania is the **National Mineral Development Corporation [NMDC]**; it had carried out gold exploration in the region south of Lake Victoria in north-west Tanzania during the period 2000 to 2003 and successfully delineated promising targets in Siga Hill area [Kahama dist] and Bul'Yang Ombe area [Igunga district]. NMDC is scaling up its gold mining activity in Tanzania in 2012.

GAIL has shown interest in purchase and marketing of LNG from Tanzania as and when it is available.

### **Major Indian Companies in Tanzania**

**Bank of Baroda** commenced operations in 2004 in Dar es Salaam with a second branch opened in Arusha. It has recently expanded the number of branches in Tanzania.

**Bank of India** commenced operations in June 2008 with a second branch opened in September, 2012.

**Tata International Limited** has large presence, particularly in the automobile [trucks] and chemical sectors.

**National Mineral Development Corporation Limited [NMDC]** prospecting gold currently at Nzega Ibungu in north-central Tanzania.

Some insurance companies [**LIC, NIC**] with Indian connections including the **Tanzindia** consortium operate in Tanzania.

**Reliance Industries Ltd** has acquired a majority stake and management control of **Gulf Africa Petroleum Corporation [GAPCO]**, headquartered in Mauritius which has a significant presence in east Africa in the downstream petroleum sector.

The first ever private Export Processing Zone [EPZ] owned by an Indian Company – **Kamal Group of Industries**, set up in Tanzania which is designed to accommodate 80 industrial units spread over 300 acres, was inaugurated by President Kikwete on 25<sup>th</sup> July, 2010. The Kamal Group operates a small steel plant in Dar-es-Salaam.

**Bharti Airtel** acquired Zain Telecom in Tanzania as part of its 17 countries buy from Zain Africa. Zain Telecom was re-branded as Airtel on 22<sup>nd</sup> November 2010 which was presided over by President Jakaya Kikwete. Airtel is estimated to have invested US\$ 150 million and is focussing on competitive pricing as well as penetration into rural areas.

Escorts [tractors], Ashok Leyland [trucks], Bajaj [scooters] and TVS [scooters] also have a significant visible presence in Tanzania. Other brands of Indian vehicles and tractors are also available locally. Numerous Indian engineering and manufactured goods, including Kirloskar engines and Godrej safes have a significant market share in Tanzania. According to Ministry of Health of Tanzania, about 70% of medicines and pharma products imported by the country are sourced from India. All major Indian pharma companies have their distributors and representatives here.

### **Development Partnership**

In September 2002, India gifted two raw cashew nut processing plants to Tanzania.

India gifted 5,000 tons each of wheat and rice to Tanzania in May 2004 when it faced food scarcity arising from drought conditions.

Small Industry Development Organisation [SIDO] of Tanzania was established with assistance of National Small Industries Corporation Ltd [NSIC] of India in November 2007.

Two Indian funded IT / Communication projects have been established : **A Centre of Excellence in ICT by C-DAC**; and the **Pan African e-Network Project by TCIL**. The ICT Centre was set up at Dar-es-Salaam Institute of Technology with one Param High Speed Super Computer and 10 remote regional centres. The Pan African e-Network Project entails a Tele-education Centre in the University of Dar-es-Salaam, a Tele-medicine Centre in the Ocean Road Cancer Institute, and a VVIP hotline and audio visual conferencing facility set up in State House under this project. An IT Centre at the Nelson Mandela African Institute of Science & Technology is to be set up with Government of India assistance for which feasibility study has been done.

Government of India extended a Line of Credit of US\$ 40 million for supply of tractors and agricultural equipment. The LOC was signed on 5 June 2009. The Tanzanian Prime Minister, Mr. Mizengo Pinda received the first consignment of 288 Escorts tractors on 07<sup>th</sup> October 2010 which arrived in Tanzania, of the total of 1860 tractors, since received. Tractors and agricultural equipments have since been supplied in full to Tanzania.

The second Line of Credit of US\$ 36.56 million for supply of Ashok Leyland trucks to the Government of Tanzania was approved and Mr. Mustafa H. Mkulo, Minister for Finance and Economic Affairs of the Government of the United Republic of Tanzania visited India to sign the Agreement on 28<sup>th</sup> March, 2011 for the GOI-supported Exim Bank Line of Credit of US\$ 36.56 million on the sidelines of the 7<sup>th</sup> CII Exim Bank Conclave on India Africa Project Partnership in New Delhi from 27-29 March, 2011. 555 vehicles have already arrived at Dar-es-Salaam and the rest are likely to reach shortly.

Prime Minister announced another Line of Credit of US\$ 178.125 million during his State visit to Tanzania from 26-28 May, 2011 for development of water supply projects in Dar-es-Salaam and coastal regions. The LOC Agreement was signed on October 2, 2012 at Dar-es-Salaam. The process for selection of Project Management Consultant [PMC] and contractor for the main works are underway.

Prime Minister also announced a grant of US\$ 10 million for projects in social and educational sectors, projects for which is to be identified by the Tanzanian side during his State visit to Tanzania from 26-28 May, 2011. The IT Resource Centre at Arusha is being funded under this scheme, while other projects are under consideration.

Prime Minister announced a grant of US\$ 100,000/- for Zanzibar for purchase of laboratory equipment for schools during his State visit to Tanzania from 26-28 May, 2011. The equipment was handed over to the Zanzibar Minister of Education and Vocational Training on May 30, 2012.

Some other LOCs for projects identified by the Tanzanian Government are under consideration by the Indian side.

Tanzania is one of the largest beneficiaries of the ITEC/SCAAP programme. The two countries signed in 1966 an Agreement on Friendship and Technical, Economic and Scientific Cooperation, within the framework of which ITEC cooperation has been extended to Tanzania since 1972. Starting with 24 trainees annually, the number has gradually increased to 200 in 2011, and the total number of trainees till date has exceeded 1400. 288 slots had been utilized in the year 2012-13. 250 slots have been provided to Tanzania in the year 2013-14.

Tanzania is a major beneficiary of Indian scholarships and other educational assistance, including self-financing students in India's institutes of higher learning. 26 scholarships

have been offered in 2012 by ICCR under the Commonwealth Scholarship/Fellowship Plan and General Cultural Scholarship Scheme. Several hundred Tanzanian students are studying in India on a self-financed basis.

### **Cooperation in Human Resources**

Cooperation in this sector constitutes an important aspect of bilateral relations. It emanates from Tanzania's request. On the Indian side EDCIL coordinated the cooperation. A Delegation from EDCIL, led by CMD, visited Tanzania from 7-17 April, 2010.

Three lecturers from India are working in two private universities [Zanzibar University and College of Education] in Zanzibar. Currently, 23 Indian professors are employed at the University of Dodoma and several more are expected to join.

The Bangalore-based Vigyan Educational **Foundation** set up in Dar es Salaam in 1996, **an International Medical and Technological University**, the first private university in Tanzania. Some other Indian NGOs, including DMI from Tamil Nadu operate educational institutes in the country. A proposal for setting up a super speciality hospital in Tanzania is being actively pursued between Apollo Hospitals, India and National Social Security Fund [NSSF] of Tanzania.

The Government of India conveyed the in-principal approval during the visit of Shri Vilasrao Deshmukh, Hon'ble Minister of Science & Technology and Earth Sciences for setting up of an ICT Resource Centre at the Nelson Mandela African Institute of Science & Technology [NM-AIST] at an estimated cost of US\$ 1.3 million. A feasibility study in this regard has been conducted by a team from India in October, 2012 and the work on the project is likely to start soon.

### **Cultural / Sports Exchanges**

An Indian Cultural Centre, sponsored by Indian Council for Cultural Relations, was set up in December 2010. At the Centre, Tabla and Yoga classes are conducted regularly by teachers from India. A 12-member Odissi Dance Troupe performed in Tanzania in October 2008; a Bharatnatyam dance troupe visited Tanzania in April 2009. A 8-member Qawwali Group led by Shri Ghulam Qadir visited Tanzania during 14-21 September, 2011. A 6-member Aakar Puppet Group, led by Shri Puran Bhatt, visited Tanzania during 23-28 November, 2011. A 10-member Gujarati Folk Dance Group "*Police Rass Mandal*" led by Shri Jayendrasinh Chandubha Jadeja, visited Tanzania from 6-14 December, 2011 on the occasion of the 50 Years of Tanzania Mainland's Independence. A Bhangra Group visited Tanzania during 25-28 January, 2012 for Republic Day celebrations. Several programmes with local content, including Indo-African fusion music have been held at the Centre in 2012 and in 2013. A Kathak Dance Troupe from Mumbai visited Dar-es-Salaam during 25-29 January, 2013 on the occasion of Republic Day and held performances in Dar-es-Salaam and Morogoro.

### **Indian Community**

Tanzania has about 40,000 people of Indian origin [referred to as Asians]. They are concentrated in the major urban centres of Dar es Salaam, Arusha, Dodoma, Morogoro, Zanzibar, Mwanza and Mbeya. The vast majority is from Gujarat mainly from Kutch and Kathiawad; their ancestors came to this region [Zanzibar and Tanganyika] since early 19<sup>th</sup> century as merchants, sailors and labour employed in railroad building. The Indian



community continues to play an important role in trade and industry. The community has been slowly dwindling in size [from its peak of about 100,000 in the early sixties]. In the 4<sup>th</sup> Multi-Party General Elections held in October, 2010, six MPs of Indian Origin were elected for the first time. In addition, about 7,000 Indian nationals [expatriates] live and work in Tanzania, mainly in industry and services; they represent a broad mix from all over India.

**July, 2013**

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