



## **India needs to reverse its declining market share for labour intensive goods in Africa**

In the last 20 years, India's merchandise exports have shown signs of geographical diversification, away from European Union and North America to emerging markets in Asia, Latin America and Africa. The share of Asia in India's exports grew from 38% to 46% between 2001 and 2020, while the corresponding share for Latin America and Africa grew from 2.4% to 4.5% and 6.4% to 9.5% during this period.

### **Exports to Africa**

Specifically, India's exports to Africa has shown marked improvement as today India is one of the top five import partners for 26 African countries, compared to 10 African countries in 2008. Thus, 17 African countries made India one of their top five import partners in the last 10 years and some of them are Benin, Malawi, Guinea, Rwanda, Guinea, Sudan, Sierra Leone, Togo and Cote d'Ivoire. As of today, India is one of the top five sources of import for 36 countries, of which 26 are in Africa, five in South Asia and another five in Middle East Asia.

### **Sectoral dominance**

Today, India caters to around 20% of the import demand of Africa in vegetable plaiting materials, pharmaceutical products, sugar & sugar confectioneries. The country meets more than 10% of the import demand of Africa for cotton, explosive products, meat, organic chemicals, lacs, gums & resins, cereals, tobacco, spices, including coffee & tea. India has also increased its share in Africa's total import of five products, viz. ceramic products, man-made filaments, automobiles, tanning and dyeing extracts, articles of plastics etc. in the last 20 years.

### **Untapped export opportunity**

At the same time, there is scope for increasing our exports further in these five products as India's share in Africa's total import of these products remains less than 10%. Specifically, India's share in the total import of Africa in certain labour-intensive goods has declined in the last 20 years. For instance, India's share in Africa's total import of carpets & other textile floor covering, iron & steel products, articles of leather, clocks, watches & parts, man-made staple fibre etc. has declined by 1-3% in the last 20 years. The reason for the decline in our market share could be stiff competition from countries such as China, South Korea, Vietnam and other Asian countries. India can also explore market for marine products, fertilizers, gems & jewellery, articles of copper, toys, games and other consumer goods.

Currently, India accounts for hardly 5% of the overall merchandise import of Africa, although this share has more than doubled from 2% in 2001. With a focused strategy on marketing, trade promotion and cost competitiveness, India can increase this share to 10% in the next five years.



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## Press Information Bureau

Minister urges G33 countries to defend their position at WTO

<https://pib.gov.in/PressReleasePage.aspx?PRID=1755729>

## CBIC

Anti-dumping duty on import of aluminum foil

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-add2021/csadd51-2021.pdf>

Fixation of tariff values for certain importable items

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-nt2021/csnt73-2021.pdf>

Exchange rate notifications

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-nt2021/csnt74-2021.pdf>

## DGFT

Last Date for Submitting Applications for Scrip based on FTP schemes

<https://content.dgft.gov.in/Website/dgftprod/4e7dbaf3-91fe-4390-8ca8-2c2fda0be3bd/Notification%20No%2026%20English.pdf>

Amendment in policy condition for import of fuels

<https://content.dgft.gov.in/Website/dgftprod/49d5eb39-30ea-416e-a507-ab7f67a4f84f/Notification%2027%20dt%2016-09-21.pdf>

## RBI



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