

India-Djibouti Relations

Introduction:

Historical links, cultural affinity and people-to-people contacts between India and Djibouti have existed long before India's independence in 1947 and Djibouti's independence in 1977. The Honorary Consul of India has been functioning in Djibouti since 1969. Djibouti opened its Embassy in New Delhi in 2004 and a Consulate in Mumbai in 2006.

Since independence from France in June 1977, Djibouti maintains a neutral political position in the Horn of Africa. It is a member of the League of Arab States and the OIC. It is strategically located at the crossroads of Africa, the Middle East and the Indian Ocean and has recently gained importance as a frontline State in the war against terrorism. It is Headquarters of the Combined Joint Task Force-Horn of Africa (CJTFFHOA) for the fight against terrorism. American, French and Japanese military are present in Djibouti.

Political Relations:

Contacts between India and Djibouti have existed since ancient times. The port of Adulis was the hub of maritime trade where Indian seafarers traded spices and silk for gold and ivory. The relations between India and Djibouti are traditionally warm and friendly and were reinvigorated following the visit of the President of Djibouti to India in 2013. Under the ITEC programme, in 2013-14, 35 slots were utilized by Djibouti. In 2014-15, 25 slots were offered and out of them 10 slots have been utilized so far. Djibouti has signed the Memorandum of Understanding with the Telecommunication Consultants of India Ltd. for implementation of the Pan-African e-Network Project on Tele-Medicine and Tele-education. We share similar perceptions on issue of common concern and those that affect developing countries.

Bilateral visits:

H.E. Mr. Ismail Omar Guelleh, President of the Republic of Djibouti made a state visit to India in May 2003. He was accompanied by the Ministers of Foreign Affairs, Defense, Education and the Minister of Public work and Public Transport. A 30 member business delegation also accompanied the official entourage.

Commander of the Djiboutian Armed Forces, General Fathi Ahmed Houssein visited India in October 2003. Mrs. Hawa Mohamoud Youssouf, State Minister of International Co-operation visited New Delhi on 28-31 January 2007, to participate in the Centenary Celebration of Satyagraha Conference. A delegation led by Mr. Rifki Aboulkader Bamakhrama, Minister of Trade and Industry attended the CII-Exim Bank Meeting at New Delhi on 19-21 March 2008. Djibouti Naval Chief, Colonel Abdourahman attended the Indian Ocean Naval Symposium (IONS) at Mumbai on 13-18 February, 2008, at the invitation of our Chief of Naval staff.

Indian ships make regular calls at the Port of Djibouti on transit and for joint exercise with US and French navies. Djibouti remains hospitable to the visits of Indian ships. Indian ships, *INS Shardul*, *INS Tir* and the Indian Coast Guard ship, *CG Veera*, *INS Gomati*, *INS Trishul*, *INS Aditya* and *INS Mumbai* called on the port of Djibouti in 2012. *INS Sindhurakshak* and *INS Trikand* called the port of Djibouti in 2013. *INS Savitri*, *INS Tabar*, *INS Subhadra*, *INS Trakash*, *INS Sumedha*, *INS Tarkash* called on the port of Djibouti in 2014.

To combat the menace of piracy in the Gulf of Aden and in the Red Sea, India has been sending naval ships since November 2008 for Operational Turn Around followed by anti-piracy patrol. *INS Mysore* during its anti-piracy patrol, rescued an Ethiopian vessel *MV Gibe* from Somali pirates.

Bilateral Treaties and Agreements:

Bilateral investment Promotion and Protection Agreement (BIPPA) signed at New Delhi on 19th May 2003.

Civil Aviation Agreement signed at New Delhi on 19th may 2003.

Cultural Cooperation Agreement signed between India and Djibouti on 31st January 1989 and Executive Programme of Cultural, Education and Scientific Cooperation for the year 2003-2005 signed at New Delhi on 19th May 2003.

Pan-African e-Network Agreement signed Between TCIL and Djibouti on 21st June 2006.

Economic Policy:

Djibouti's GDP is about US \$ 1.5 billion, contributed mainly by the service sector, followed by the manufacturing sector. Agriculture accounts for less than 5 percent of the country's GDP. The port of Djibouti is strategically located at the crossroad of sea routes between Far East, the Arab-Persian Gulf and Africa. It is the Maritime outlet of the Horn of Africa and has therefore served as an important entry port and transshipment point for the region's landlocked countries. Investors from Dubai have invested in an Oil terminal (2 mpa) and a resort hotel in Djibouti in 2006. Djibouti has opened a new and modern US\$400 million container terminal at the port of Doraleh, to handle 1.2 million units of 20 foot containers annually, making it the largest port in East Africa, in a joint venture with the Dubai-based DP World.

Economic Relation with India:

Djibouti is keen to develop economic and development partnership with India especially in the areas of education, health, information technology, agriculture, small

scale industries, portable electricity generation, fisheries and water resource development.

Government of India has extended four Lines of Credit (LOC) aggregating nearly US \$ 50 million to Djibouti for financing the Ali Sabieh Cement Project being constructed at Ali Sabieh, the second largest city of Djibouti, about 150 kms from Djibouti. In the area of rural electrification, IRCON has conducted feasibility study for rehabilitation works of rural electrification in Djibouti. M/s Kirloskar have supplied generator sets for power production.

Bilateral trade is on the increase and is in India's favor. Trade in 2013-14, stood at US\$ 311.19 million (India's exports US \$ 307.04 Million and India's imports US \$ 4.15 million). Most of the trade with Djibouti actually serves the growing market in Ethiopia. The main items which have shown increase in Indian exports are: iron & steel products, paper and plastic products, machinery metals, yarns & fabrics, food items and drugs & pharmaceuticals.

Indian Community:

The Indian community in Djibouti is around 350 persons. The oldest Indian community consists of Gujaratis traders and entrepreneurs from Rajkot and Jamnagar. The new Indian arrivals include, corporate employees, professionals, including accountants, IT professionals and workers in the hotel and port expansion projects. The companies involved in the Doraleh Port Project have also engaged a number of Indian experts and technicians. A number of Indians are also working in the Djibouti Port and refinery project. In the last three years, some Dubai-based India companies have begun investing in Djibouti's logistics, manufacturing and financial sectors.

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