



INDIA'S DEVELOPMENT PARTNERSHIP

EXPANDING VISTAS

Edited by
Nutan Kapoor Mahawar
and Dhruvajyoti Bhattacharjee



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Expanding Vistas

Development Partnership has been one of the principal pillars of Indian foreign policy which is based on the principle of “*Vasudhaiva Kutumbakam*” - the world is one family. Despite its own resource restraints, India has been one of the leading developing countries willing to share its developmental experience and technical expertise with other developing countries over the last seven decades in line with its firm and long-standing commitment to South-South cooperation and solidarity.

India's development partnership model is based on trust, respect, sovereignty, transparency, collaboration and requirements of the partner countries. In recent years, India's development partnership has grown significantly in scale and scope and is a mutually beneficial partnership that is human-centric in its approach. The contours of India's development partnership programme are a reflection of a rising, aspirational India which considers its growth and development as not being separable from that of the countries of the Global South.

This edited volume is the compilation of views and papers presented by former diplomats, practitioners, academicians and policy makers at a two-day online National Seminar on 'India's Development Partnership: Expanding Vistas' held on 15-16 June 2022. The Seminar was organized to mark the completion of ten years in 2022 of the Development Partnership Administration, which is responsible for implementing policy, project and capacity building initiatives within the Ministry of External Affairs of India, its achievements in expanding India's Development Partnership and to discuss the way forward.

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FOREWORD

While charting its own path of development and growth over the last seven decades, India also built developmental partnerships with nations of the Global South in line with its steadfast commitment to South-South cooperation which is well-established and well-recognized. Challenges faced by India in the process of development have not been easy but yet solutions have been found, progress made and experiences shared with other developing countries.

India has been actively involved in building development partnerships through the modalities of its flagship capacity building programme ITEC, lines of credit, grant assistance, etc. Its development cooperation is based on consultations with partner countries and their needs, maintaining a human-centric approach. It is based on principles of mutual respect and national ownership with a commitment to sustainable development for all. Recent years have witnessed a manifold increase in India's development partnership activities in terms of scale, scope and geographical spread.

Developmental Partnership is a key pillar of India's foreign policy and, as India enters the Amrit Kal, the next 25-year period which will lead to the centenary of its independence, and as its own economy is poised for growth, it looks forward to a future of shared growth and development of the Global South. As External Affairs Minister Dr. S. Jaishankar stated at the UN in September 2022, "Our foundational belief is that India's own development is inseparable from the rest of the world".

This edited volume is an outcome of an online National Seminar on 'India's Development Partnership: Expanding Vistas' organized by the Indian Council of World Affairs on 15-16 June 2022 to mark the completion of ten years of the Development Partnership Administration of the Ministry of External Affairs responsible for policy and programme implementation. The Seminar took stock of development partnership initiatives taken and ongoing in various regions of the world, assessing successes achieved, understanding challenges and charting the road

ahead. Sessions were held on Neighbourhood First, Act East and Indo-Pacific, Look West, Connect Central Asia, Africa, and Latin America & Caribbean countries.

This volume is an endeavour to celebrate India's development partnerships covering different geographies while looking at the way forward to strengthen this key and growing pillar of India's foreign policy. With eighteen research papers by former diplomats and scholars, this volume hopes to enrich the scholarship and discourse on India's development partnership with the Global South.

February 2023

Amb Vijay Thakur Singh
Director General
Indian Council of World Affairs

INTRODUCTION

Development Partnership has been one of the principal pillars of Indian foreign policy which is based on the principle of “*Vasudhaiva Kutumbakam*”—the world is one family. Despite its own resource constraints, India has been one of the leading developing countries willing to share its developmental experience and technical expertise with other developing countries in line with its firm and long-standing commitment to South-South cooperation and solidarity.

India’s Development Partnership is based on trust, understanding the requirements of the development partner and working together so that the partnership ultimately leads to human capacity building, ease of living and enhanced welfare. The partnership is built on respect, equality, sovereignty, diversity, transparency, care for the future and sustainable development and is human-centric in approach.

The instruments that have moulded India’s model of Development Partnership are grants-in-aid, lines of credit and capacity building and technical cooperation. Such partnerships are based on the developmental priorities of partner countries and follow a collaborative approach. India’s development cooperation ranges from energy to engineering, health to housing, IT to infrastructure, sports to science, disaster relief and humanitarian assistance to restoration and preservation of cultural and heritage assets.

In recent years, the development cooperation programmes have expanded voluminosly, both in geographical spread and sectoral coverage. Indian diplomacy has invested in the promotion and strengthening of such partnerships. It has aimed to streamline and improve delivery of the various elements of India’s development cooperation through the stages of conceptualization, launch, implementation and commissioning.

Such partnerships are based on the various aspects of capacity building under the aegis of the Indian Technical & Economic Cooperation Programme (ITEC). Though ITEC was instituted in 1964, presently ITEC programmes are undertaken in various ways, where ITEC resources

have also been used for cooperation programmes conceived in regional and inter-regional context. More than 2,00,000 officials from more than 160 countries have received training till date under ITEC in both the civilian and defence sectors. Every year, more than 10,000 fully funded in person training opportunities through nearly 400 courses are offered at more than 100 eminent institutes of India.

Lines of Credit (LoC) have emerged as a critical component of India's Development Partnership initiatives. Currently, a total of 303 LoCs have been extended to 68 countries around the world, demonstrating India's commitment to fostering partnerships on a global scale. The cumulative value of these LoCs is US\$ 31.85 billion (Rs. 2.61 lakh crore) which has been allocated to support projects in diverse sectors ranging from connectivity to water and power, health and education and defence in Asia, Africa, CIS, Latin America and the Caribbean, and Oceania. The partner country benefits from attractive terms of the LoCs and comprehensive support from India in project formulation, technical assessments, and identification of project management consultants and companies. Grant-in-aid projects, in addition, amount to about US\$ 4 billion.

Development partnerships have brought economic and social growth in Bhutan, Bangladesh, Sri Lanka, Mauritius, Seychelles and other countries in the neighbourhood. Iconic projects that have been completed include the Afghan-India Friendship Dam in Afghanistan, Maitri Setu bridge with Bangladesh, new ENT hospital project in Mauritius, Metro Express Project in Mauritius, housing project in Sri Lanka, coastal radar project with Seychelles, and Supreme Court building in Mauritius. The neighbourhood and Africa have been the major beneficiaries of India's development partnership programme even as it strives to expand into new areas. Key projects in Africa have included the iconic Parliament building in Gambia, Kosti power project in Sudan which supplies a third of the country's energy, and Nyaborongo power project in Rwanda which provides a quarter of the country's energy. India has also played a pioneering role in setting up first-of-its-kind industrial units such as the first cement plant of Djibouti, the first milk processing plant of Mauritania, and the first sugar factory of Ghana.

India has also partnered with countries in Southeast Asia, Central Asia, Latin America & the Caribbean and Pacific Island Countries on

projects covering information and computer technology, small and medium enterprises, archaeological conservation, etc. Among archaeological and cultural conservation, India has completed more than 50 projects including in Myanmar, Bhutan, Nepal, Sri Lanka, Bangladesh, Maldives, Afghanistan, Mauritius, Indonesia, Mongolia, Malaysia and Vietnam and projects are underway in Laos (*Vat Phou Shiva* temple) and Cambodia (*Ta Prohm, Angkor Wat, Preah Vihear* temples) among others. India is also engaged in project partnerships under the aegis of its Small Development Projects programme and High Impact Projects programme for enhanced community development.

Development Partnership Administration (DPA) of the Ministry of External Affairs is responsible for implementing policy, project and capacity building initiatives. Setup in January 2012, it has completed ten years in 2022. This provided an occasion to take stock of DPA's activities and achievements and deliberate upon its future course and the Council brought in practitioners, former diplomats and scholars who either have been part of the partnership programmes or have been closely studying and assessing it.

This edited volume is the compilation of views and papers presented in a two-day online national seminar themed 'India's Development Partnership: Expanding Vistas' on 15-16 June 2022. The seminar was divided into six sessions in addition to the inaugural on the themes of India's Neighbourhood First policy, Act East and the Indo-Pacific, building a trusted partnership with Africa, partnership with Latin American and Caribbean countries, connecting with Central Asia and building bridges with West Asia. While dwelling on projects and capacity building efforts, these papers also examine the politico-economic-strategic setting in which development partnership operates bilaterally and regionally.

The Seminar emphasised that, over the past seven decades, India has made impressive economic progress in agriculture, industry, and technology. Even as it has been developing itself, India has shared its developmental experiences and technical expertise with other countries. India's developmental partnership with the Global South has become one of the principal tools and a pillar of Indian foreign policy. India's development assistance is wide-ranging and is growing in scope and scale. Five modalities of development partnership were discussed viz., capacity

building, technology transfer, financial grants, lines of credit/concessional finance and humanitarian assistance and trade. Examples were given of India's past experiences and existing programs on partnerships that cover creating centers of excellence in IT, training students and teachers, building infrastructure, hydroelectricity, power transmission, agriculture, health, archaeological conservation, etc. and have made important contribution to strengthening ties with partner countries and generating goodwill for India. With nearly 600 major projects across 78 countries, challenges faced in development partnership efforts were discussed and suggestions made.

The Seminar noted the need to widen the scope of development partnership from a Government-to-Government modality to include private sector and civil society/local community interface for better reach and sustainable growth. It emphasized that the commercial linkages between development partnership projects and trade and investment need to be strengthened and fully leveraged. The need to explore trilateral cooperation with like-minded countries especially for capital intensive projects was noted. It was acknowledged that creating local value in terms of jobs and revenue generation creates goodwill for India and builds people to people ties. The importance of enhanced focus on community development projects was acknowledged. The possibility of replicating India's success stories in implementing its flagship programmes in the social and economic sectors such as FinTech, Digital India, Ayushman Bharat, Mid-Day Meal Scheme, etc. in other developing countries was mentioned. Road shows especially in Africa on India Stack (Aadhar, UPI, Direct Benefit Transfer and e-commerce capabilities) was suggested. Focus on green growth, better connectivity and health capacities was emphasized. The need to explore non-sovereign sources for funding development cooperation projects was mentioned. Considering the diaspora as an asset in implementation of development partnership programmes was suggested. Importance of outreach through regional organisations such as CARICOM for better coordination was noted. The need to map the contribution of India's development partnership to fulfilling the Sustainable Development Goals was mentioned. The need to give an impetus to e-ITEC was noted.

While the soft power dimension of India's developmental activity abroad has long been emphasized, there is a growing recognition of the strategic dimension of India's development partnership. India's development partnership has an impact for India's reach and on regional stability. The conceptualisation and execution of these projects and programmes have to accordingly strike a balance between the principles and values of India's development partnership and India's geopolitical, strategic and economic interests.

Nutan Kapoor Mahawar
Dhrubajyoti Bhattacharjee



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REMARKS

Amb. Vijay Thakur Singh
Director General, Indian Council of World Affairs

Shri Dammu Ravi, Secretary (ER), MEA,
Shri Prabhat Kumar, Additional Secretary (ER & DPA), MEA,
Prof. Sachin Chaturvedi, Director General, RIS,
Distinguished Speakers and Participants,

It is my pleasure to welcome you to the ICWA National Seminar on the topic, "India's Development Partnership: Expanding Vistas."

Over the past more than seven decades, India has steadily walked the path of economic growth with impressive development of its agricultural, industrial, technological base. India established a range of institutions in these sectors and at the same time also focused on building its educational institutions and setting up a strong eco-system for R&D and innovation. It has expanded its railways, roads & highways infrastructure and built an extensive network of airports. Even as it has been developing itself, India has continually shared its developmental experiences and technical expertise with other countries. Resultantly, India's Development Partnership has become one of the principal tools for strengthening its ties with other developing countries and a pillar of its foreign policy. India believes that countries grow and develop on the basis of reliable partnerships and cooperation.

India's Development Partnership is based on trust, on an understanding of the requirements of its development partner; and a commitment to working together, so that the partnership ultimately leads to capacity building, and contributes to sustained growth & sustainable development of the partner country.

One of the basic features of India's development cooperation is that it does not come with conditionalities. Outlining this philosophy, Prime Minister Shri Narendra Modi, in his address at the Parliament of Uganda in July 2018, while speaking about India's engagement with Africa said that—"Our development partnership will be guided by your priorities. It will be on terms that will be comfortable for you, that will liberate your potential and not constrain your future... We will build as much local capacity and create as many local opportunities as possible".

India's involvement in South-South Cooperation has been long, regular and fruitful. The instruments that have molded India's model of developmental partnership are grants-in-aid, lines of credit, capacity building and technical cooperation. India's development cooperation ranges from energy to engineering, from health to housing, from IT to infrastructure, from sports to science, from disaster relief and humanitarian assistance to restoration and preservation of cultural and heritage assets. Our efforts in capacity building by providing annual training slots under the Indian Technical and Economic Cooperation (ITEC) Programme began in 1964. ITEC is a flagship programme of assistance of the Government of India which has grown substantially over the years. At present, 161 countries in Asia, Africa, East Europe, Latin America, the Caribbean and Pacific and Small Island Countries are participating in this programme.

In January 2012, to pursue its Development Partnership programme with renewed vigour, the Ministry of External Affairs set up the Development Partnership Administration (DPA) unit for implementing policy, projects and capacity building initiatives. It has now completed ten years. Our National Seminar today provides an occasion to take stock of DPA's activities, its achievements and challenges and to deliberate upon its future course.

India has been very clear that South-South Cooperation, particularly Lines of Credit and soft loans, should neither be an undue burden on the recipient country nor result in unsustainable indebtedness, thereby making it counter-productive and hinder the overall development of the recipient country.

There are some challenges in the implementation of both grant projects and Line of Credit projects which impact the pace of executing

projects. These issues are best addressed through dialogue and consultation with the government of the host country.

Apart from bilateral development projects, today, India is working with third countries such as through India-Brazil-South Africa Fund. It has also established a \$150 million fund under the India-UN Development Partnership that supports 66 projects in 52 countries.

The COVID-19 period demonstrated that South-South Cooperation has become even more critical and India's contribution to and its role in this field remains highly relevant and constructive.

Our two-day National Seminar will look into India's development partnerships covering different geographies. Sessions are planned on 'Neighbourhood First', 'Act East & Indo-Pacific', 'Look West', 'Connect Central Asia', 'Engaging with Africa and Latin American & Caribbean Countries'. The seminar will take stock of the initiatives taken and ongoing in various regions of the world, assess successes achieved, understand challenges and the future road ahead.

We hope the Seminar's deliberations will bring forth fresh ideas and recommendations that would strengthen the various partnerships that we have built and will be building in the future.

Thank you for your attention.

REMARKS

Shri Dammu Ravi

Secretary (Economic Relations), Ministry of External Affairs

At the outset, I wish to congratulate the ICWA, in particular, the Director General, Ambassador Vijay Thakur Singh, in organising this important two-day National Seminar on Development Partnership. I also recognise and acknowledge senior colleagues who have logged on to this session and some of them will be speaking as panellists in this two-day seminar. There is so much we need to learn from the so many valuable inputs coming of this Seminar and Ministry of External Affairs will be keeping a close tab on these deliberations.

South-South cooperation is a fundamental tenet of India's foreign policy which is underpinned by India's desire to reach out to countries facing development challenges. This spirit of solidarity with developing countries actually predates India's Independence when our leadership supported countries in their freedom struggle with training and medicines. The logic of sharing about which Professor Sachin Chaturvedi has written extensively creates peaceful and stable environments in developing countries, besides helping to deepen relations between recipient and donor countries. We also see our Development Partnership as a strategic tool to expand India's reach abroad. Deepening bilateral relationships with countries is one aspect; they often tend to have multi-dimensional effect in countries' development path in terms of generating revenue, jobs, skills and sustainable economic environment.

As DG, ICWA has pointed out, India has a recipient driven and demand driven approach to development partnership. Our approach was well articulated by Prime Minister Modi during his address to the Ugandan Parliament in July 2018. Today, it assumes importance because of dwindling Overseas Development Assistance from the developed countries and OECD countries have been showing a declining trend.

Therefore, in the context of Global South, cooperation amongst developing countries becomes extremely vital to take forward the development agenda and develop a shared understanding on how we can help each other. We need to recognize that successes in one part of our world can be replicated in other parts for addressing common development challenges.

In spite of the fact that India itself is developing with the challenge of having to take forward its large population, it has undertaken development partnership as a priority in its engagement with countries in various parts of the world; within Africa, South Asia and extended neighbourhood, Latin America and Caribbean countries we have been active for several decades, contributing in a modest way to their economic progress.

The Indian Technical Economic Cooperation program, which you all are aware as ITEC, is the flagship program of the Ministry of External Affairs for assisting in building capacities of other countries. Since the program was commenced in 1964, over 200,000 experts have been trained. This program remained active even during the Covid pandemic, we used digital technologies for enhancing its scope and this is popularly called e-ITEC. Our private sector has been extensively using digital tools in the education space, the e-Education concepts are operating in many parts of the world in diverse streams. They built on the successful models of Pan African e-Network Project for Tele-education and Tele-medicine and the ongoing e-Vidyabharti Scheme. This is commendable since it is just not the Government putting in its resources but that the private sector on its own is doing these programs abroad.

Further, I see immense scope and opportunity for institution building for Indian private sector in developing countries. Indian educational institutions in medicine, nursing, engineering, agriculture, etc. could add immense value to developing countries if they can run them locally in countries abroad. This level of cooperation will take our relations with partner countries to a higher level and promote stronger people to people contacts. I believe these activities could also be undertaken on commercial basis. We are encouraging our entrepreneurs to come forward to take up the initiative of institution building. Parallely, we are talking to EXIM Bank to explore the possibility of extending concessional financing for such initiatives.

In the last 2-3 decades, we have been active in executing infrastructure projects under our Lines of Credit and Grants. About 600 major projects have been committed. These projects have been highly valued and appreciated by our partner countries. I personally feel, I must say that my own understanding is still evolving, that our infrastructure projects should be sustainable in a manner that our trade and investments multiply through them. To be able to do so, we should work on commercially viable projects that are able to generate revenues. I sincerely hope that this Seminar is able to provide some fresh ideas in this regard.

We admit that our processes for LOC/Grant projects are not perfect. Many say that our project implementations take a lot of time and our processes are slow and lengthy. So, there is room for improvement. We are open to new ideas coming from these deliberations as to how we can reduce these gaps. Another important part of the entire exercise is monitoring and review. This is important because we have to understand whether our projects are doing well. How well these infrastructure projects are helping recipient countries and whether they are creating value locally, should form part of a regular exercise of review. On this, we will involve our Missions in a regular exercise of review.

I believe our development partnership should go beyond merely doing infrastructure projects in our partner countries. We need to seek greater economic integration with our partner countries and one of the ways of doing it could be to support entrepreneurship and manufacturing locally through joint ventures/collaborations. We are exploring setting up of manufacturing platforms in areas where India has strengths, for example, in pharmaceuticals, vaccines, textiles, auto components, electrical equipment, etc. Raw material, components and technology can feed into making final products so that it becomes a local product. In a way, it will strengthen our Aatmanirbhar Bharat initiative of 'Make in India for Global'. It will create win-win situations for both sides and in the long run, India will be stitching its own supply chains across borders and creating immense value to our partner countries. We need to assist our entrepreneurs to set up these platforms abroad and provide them with concessional financing arrangements. I feel this will become the game changer for the Global South.

The last item I had in mind was actually how to take abroad the success of our own flagship programs. I think in the last decade or so, we have done enormous good work in area of FinTech, digital India, healthcare, food, renewable energies, all of which have become very popular and are truly empowering people and in a way are bringing direct benefit to the common man. Ayushman Bharat was a highly successful program, Har Ghar Jal provides piped water, Har Ghar Bijli provides electricity in far flung areas in a cost-effective manner. These successful and low cost programs can have high impact in developing countries.

To be able to successfully implement them, robust planning and commitment to resources are needed. We recognize that India cannot do everything to support development initiatives in our partner countries. I think time has come to think whether these programs can be done under the framework of trilateral cooperation. Some of projects are already taking place but on a low scale. Our low cost and high impact projects have drawn significant interest. Many countries in recent times have come forward expressing keen interest to work on India's development models in third countries. Going forward, we would be exploring means of undertaking high-impact local projects under trilateral cooperation in different parts of the world. We need to reimagine development cooperation in an additional paradigm of trilateral cooperation under North-South framework.

Well, I am sure there will be many ideas coming out of this two-day National Seminar. My DPA team in the Ministry of External Affairs will closely follow the deliberations and look forward to receiving fresh ideas. I wish ICWA all the success for this two-day Seminar.

Thank you very much for this opportunity.

REMARKS

Shri Prabhat Kumar
*Additional Secretary (Economic Relations & Development Partnership
Administration), Ministry of External Affairs*

Ambassador Vijay Thakur Singh, Director General, ICWA,
Shri Dammu Ravi, Secretary (Economic Relations), MEA,
Shri Sachin Chaturvedi, Director General, RIS and
Smt. Nutan Kapoor Mahawar, Joint Secretary, ICWA,
Distinguished Ambassadors, Guests, Panellists.

First of all, let me congratulate and thank DG, ICWA for organizing this event on the occasion of ten years of Development Partnership Administration (DPA) of the Ministry of External Affairs. India has been in the field of development partnership since Independence, or even before that as was pointed out by Secretary (ER). According to one study done by RIS, we have extended assistance of around US\$ 107 billion since 1947.

RIS under Dr. Sachin Chaturvedi's guidance organized a development partnership week in February 2022, during the Azaadi ka Amrit Mahotsav week allocated to MEA. We thank RIS for organizing this event. During that exhibition, people came to know about the areas in which India was working in the field of development partnership. Today, what I have decided is that, maybe, I can go through my postings and see how our development partnership has helped the countries where I have served.

So I have chosen first, Colombia, where I was from 2014 to 2017, Colombia and Ecuador, which is in Latin America, a little far away. Then Kazakhstan, where I was from 2017 to 2021, which is in our extended neighbourhood, therefore nearby. And Nepal, where I was in 2003 to

2007. So different countries, different regions and different kinds of experiences. And, thereafter, I will speak about the new prospective areas for India's Development Partnership. Secretary (ER) spoke about some of the things which we are planning and I will expand a little bit on that.

So, let me start with Colombia. As soon as I reached there, there was a request from the Ministry of Education, if we can do something for training their school teachers in English language. I immediately took it up with DPA-II Division, which looks after our ITEC programme and EFLU—English and Foreign Languages University in Hyderabad. They agreed, and 25 teachers were sent from Colombia to Hyderabad for training. The experience of the teachers and the feedback they gave after returning was so good that Colombia wanted to train more teachers and they also wanted teachers from India to come to Colombia.

We continued to train 25 teachers every year, as more than that was not possible, because EFLU had other commitments. But then Colombia devised its own way of getting teachers from India. They offered one-year scholarships through their Embassy in India, which would cover all the costs and salary. Their Embassy in Delhi selected teachers and started sending them to Colombia, and they were deployed all over Colombia in universities and schools. Therefore, wherever I went, to the universities or to the towns, there was demand for more teachers; that if India can send more teachers. The Government of Colombia gave the Embassy of India a certificate, or a kind of recognition that we have helped in improving the education quality of Colombia. So that was a good experience.

Another example is of city of Medellin, a city in Colombia. In Medellin, we have an institution called Mahavir Kmina. Mahavir Kmina was following the example of Bhagwan Mahaveer Viklang Sahayata Samiti, the organization that has invented the famous Jaipur Foot. Alfredo Riaz, the founder of Mahavir Kmina had sprained his leg once. And he had read the book by CK Prahlad, "The Fortune at the Bottom of the Pyramid", which had recounted the Jaipur foot story. From there, he picked up the idea of founding Mahavir Kmina, after concluding that if a small sprain can immobilize a person for a couple of days, then what would be happening to those who really suffer because of losing their limb or leg.

Thereafter he established the institution in cooperation with Bhagwan Mahaveer Viklang Sahayata Samiti. DPA helped in a way by getting the teachers and doctors from Jaipur to Medellin. DPA also financed the prosthetics or the material from Jaipur to Medellin. So this was a very good cooperation, still ongoing. And as a result, people from all over Latin America come to Medellin to get their prosthetics fixed. And I have seen the results. In fact, Mahavir Kmina has improved on the quality of prosthetics and also shared the improvements with Bhagwan Mahavir Viklang Sahayata Samiti. So this was another area cooperation.

The third one was Centre of Excellence in IT, which was established in Ecuador in 2015. We had teachers from C-DAC. It had around 50 students in every class. We trained around 1000 students during the 2 years there. But I believe that after the Government changed there and because of certain issues, the C-DAC teachers were no longer there. So it was not functional for some time. So we are trying to devise ways how to make these centres more efficient, how to have a longer term commitment from C-DAC and others. So one of the areas touched by Secretary (ER) was that after doing a project, it is important to follow up on the projects and assess what are the results.

Later, I came to Kazakhstan where a Centre of Excellence in IT, already established, was functioning well. In fact, it was functioning so well that other Kazakh institutions also wanted to use the facility. It had a PARAM Super computer. So there were these other universities, they used this facility after working hours. We had deployed the Param super-computer in 2015. So we have recently agreed to install the latest version. So this is an excellent example of Centre of Excellence in IT. We also had during my time, courses from IIT, Madras in Big Data, which was over-subscribed.

I continued to implement training of English teachers, based on my experience in Colombia, and we also added yoga. So teachers from all over Kazakhstan, both in yoga and English, came to India. And the pleasant surprise was that whenever I went to a city or a town outside Astana, I already had two “Ambassadors” of India welcoming me.

In Kazakhstan, we had also extended, now in Central Asia-India Dialogue format, one million dollars of line of credit. It is yet to be utilized. Probably it will be utilized for connectivity projects. We also have offered

to Kazakhstan high impact projects, which have high visibility and high impact. This is work in progress. High impact projects are generally done by the territorial divisions in Ministry of External Affairs.

From that, let me come to Nepal. I was there from July 2003 to February 2007. In Nepal, we had already done the East-West Highway. Most of the projects till then were grant projects. During my time, we did the optical fibre project, which was along the East-West Highway, which improved telecommunications in Nepal.

The other projects were, as it was then called, Small Development Projects, now called the High Impact Projects. When I started, there were 28 projects in 2003. But by 2007, we had 200 small development projects. These included schools, hospitals, small clinics and libraries. The cost of the project was around Rs. 5 crores each. These were highly appreciated. There was high demand for such projects, say a clinic, school, hospital or library from the Nepalese side, especially from the parliamentarians.

During this period we had also started working on the concept of integrated check posts. It started then, but now we have two of them already in operation. Also there was Kathmandu Trauma Centre project, for which we had signed the agreement. It was inaugurated in 2014. Lines of credit project started, I think, from 2009 onwards in Nepal. So, this was my experience in Nepal.

Coming to what we are planning next, or what we are looking forward to. Our projects and our work in DPA has attracted attention of many developed countries. So, we have now offers of Trilateral Cooperation. We are already doing some Trilateral Cooperation with USA. We have identified some projects with GIZ, of Germany. We are talking with EU, JICA from Japan and other countries. And probably this will be one area which will be new, and DPA will do more of this in the coming future.

The other area that was pointed out by Secretary (ER) is in the area of software, where our applications have become very popular, such as Aadhaar, CoWin, or our payment mechanism UPI. So these are some of the areas, we are being approached by other countries. Also, the programs mentioned by Secretary (ER), such as Ayushman Bharat, Har Ghar Jal, Har Ghar Bijli, all these are attracting attention of other countries, and they are approaching us to do these projects. So we are also examining these.

Recently, WFP (World Food Program) organized a delegation from Nepal for showcasing the mid-day meals program of India. They went and studied the mid-day meal program in Orissa. So our programs are attracting attention. The other area that we are focusing at is e-ITEC. e-ITEC became very popular during COVID. And in 2020-21, we did 80 e-ITEC courses. And in 2021-22, we have done 160.

There is a lot of demand for e-ITEC, even after in-person ITEC has started, because it is simpler, quicker to deliver and there is no travel involved. And seeing that the travel has become difficult these days, the countries are demanding and we are catering to them, as we say Development Partnership is demand driven. So many courses have been devised, specially in areas of health care, IT, education and they have been delivered. And we are continuing to devise new courses in e-ITEC.

Now we are discussing with the Sector Skill Council of Ministry of Education. And they have proposed some of the courses such as in hospitality, or in area of food processing, which can be done through e-ITEC. So, these are some new areas which we are looking at. We will be happy to follow the deliberations, today and tomorrow, and learn from it. And also, we will be happy to receive suggestions, recommendations from your side, from all the speakers, to further improve DPA. Thank you very much. Thank you for organizing this seminar. Thank you.

REMARKS

Prof. Sachin Chaturvedi

Director General, Research and Information System for Developing Countries

Thank you. Thanks a lot, respected Ambassador Vijay Thakur Singh, DG ICWA, Secretary ER Dammu Raviji, Additional Secretary DPA Prabhat Kumarji, Ambassador Amar Sinha, Ambassador Skand Tayal, Joint Secretary at ICWA Miss Nutan Kapoor Mahawar, my colleague Ruchita Beri and others. It is such a great pleasure to join. And I must congratulate ICWA for taking up this extremely important theme.

And I think, as Secretary ER has very rightly said, Development Partnership is an important component of our foreign policy. And development cooperation partnership has assumed greater importance over the years. I have just put up some slides, and I see time is extremely limited. I would confine myself to only 8 minutes that you gave me and I would try to do justice to this huge theme on which I have been working for more than 20 years now. So I do not know how much justice I would be able to do. But I would be just very quick and would raise some points that I feel are very important.

But I think both, Secretary and Additional Secretary have covered a huge landscape. And I think both of them have very rightly emphasized on the new priorities of Triangular Cooperation, of assessment, and also have given examples. And I think, what Mr. Prabhat Kumar has done is absolutely important for our diplomats. At RIS, we launched what is called as Development Cooperation Review, a journal that Ambassador Amar Sinha edits. And he has been writing to various Ambassadors in different places. And they write in each issue. So far we have published contributions by 14 Ambassadors. The experiences of our Ambassadors need to be documented. This journal is into its 4th year now. And I think what Ambassador Prabhat Kumar just now explained is important. And

DPA, probably Secretary ER may consider it too, to write to all the Ambassadors to document this. Because they are the front end, with first hand knowledge. And I think impressions from our Ambassadors would be extremely important. So what we heard today of Colombia, Ecuador, Kazakhstan and Nepal is extremely profound. I must congratulate AS Mr. Prabhat Kumar.

Let me Madam now quickly bring in the points that I want to make. I would very much very quickly bring in the genesis, the evolution, specific data in details, the global connect and the new directions of India's development cooperation. I also take this opportunity to congratulate each one of us and Secretary ER in particular for glorious 10 years of DPA. I think we have come a long way in terms of institutionalization. I also congratulate DG ICWA for identifying this occasion and giving us this opportunity of celebration.

I think, if we go back in history as Additional Secretary Mr. Prabhat Kumar pointed out, we started our, though we say that ITEC began in 1964, but it was back when Pandit Nehru asked Education Minister in his Government that was there in 1946, the provisional Government that was there, Shafaat Ahmed Khan to bring in students and at our ICAR, at that point it was Pusa Agriculture Research Institute. Students from neighbouring countries and eventually students from Indonesia and China, both joined. And that was actually in my view beginning of the ITEC program.

But immediately in 1949, we introduced cultural scholarships. 75 of them for various developing countries. So that was actually our effort, endeavour to take the idea forward and bring in the partnership. And that was the pragmatism with which we joined the Colombo Plan of the Common Wealth assistance program, the third country assessment program of The United States, the technical assistance program of the UN.

So MEA in a way established several of these entities which eventually became part of this. In this table, I have just tried to put together the evolution of our exercise, as we celebrate the 10th anniversary of DPA, I think a peep into the history would be extremely important. And as I said, 1946 October, actually our development cooperation partnership started before Independence. Though for centuries India is known to have

contributed to other countries development, I am not getting into those details at this point. But I think, that is also fascinating history. And in my book, *Logic of Sharing*, I have covered part of that.

In 1947, India established the Economic Affairs Division, EAD, in the headquarters in MEA, to bring in economic development and foreign policy together. And then we announced 70 fellowships in 1948, which became 75 in 1949. But because of the scale of economies etcetera, the EAD, the Economic Affairs Division was closed. And I would come back on that little later. India's proliferation of projects from 1949 to 1953 was so high and so many projects were going on that India thought of establishing Indian Aid Mission in Kathmandu.

And in my book, I have written that had there been some thought, it could have been connected with the headquarters. But it was a ground mission. An Indian mission to coordinate Indian projects in Nepal. And that was in 1954. But meanwhile in 1961, the Economic and Coordination Division came up. Then in 1964, two changes happened, the Economic Division came in, and the ITEC division was first created.

That was also the time when we launched the ITEC program. In 1966, when Mrs. Gandhi went to Nepal, the request came in. And in her public lecture, she said that India doesn't give aid. We don't believe in giving aid. So the name was changed and it became Indian Cooperation Mission, ICM. Later on, it was also closed in 1986, when Ambassador Sudhir Vyas was there. And the new incarnation came in what Ambassador Prabhat Kumar just now mentioned.

So that history is extremely important. We also tried in terms of how the report of the Estimates Committee of the Parliament in a way changed our approach on development cooperation and partnership. All the Ministries were asked to go through MEA, and that was one big change that happened in the Prime Ministership of Lal Bahadur Shastri. So that change actually got us several important milestones. Today, there is no time for me to get into those details. But I am just trying to run through this.

Then in 2003, we prepared a note, when Ambassador Shashank was Foreign Secretary. Fortunately, RIS was involved in that. And the new budget announcement came in, in the historic speech when India announced setting up of the ideas scheme. And also Development

Partnership Division was set up in MEA, which eventually was scaled up. In 2007 budget, Finance Minister Chidambaram again made an announcement; RIS gave inputs to set up IIDCA (India International Development Cooperation Agency). IIDCA was announced in the budget speech, but it never came up. And it is coincidence that in 2018, China announced CIDCA, China International Development Cooperation Agency. And we were far ahead, we were thinking of that agency way back in 2003 and then in 2007. But it never came in.

But Prime Minister Dr. Manmohan Singh pressed for setting up of some institutional mechanism. Then the idea to set up Development Partnership Administration (DPA) came in 2010 which was a far more scaled down version of an independent agency which was envisaged in the form of IIDCA in 2007. But this came in, and DPA in a way played an extremely important role which we heard from Ambassador Dammu Ravi and also Mr. Prabhat Kumar.

I think, the essential principles and five modalities, and I think it is important to approach this from the point of view of modalities. There are five modalities within which India has been providing support to partner countries. We find these five modalities in form of capacity building, grant, concessional finance, technology and trade. And we say, this is actually India's development compact. And the development compact comes in with the idea.

So the theory of development compact is largely continuation of, so in Economics, there are two schools of thought. One is the Monetary School, which is Chicago School, which talks about monetary mechanisms, conditionalities, that the macroeconomic variable should be in shape for giving any development assistance. And that is how the OECD and the DAC members ended up with the idea of conditionalities. But Structural School of thought, suggested that even if macroeconomic variables are not in shape, economic assistance may get good chance. So the South-South cooperation doesn't believe in conditionality, doesn't believe in macroeconomic descriptive engagement with the partner countries.

So what Secretary (ER) very rightly said, development partnership is demand driven. It is on the basis of the priority of the recipient. That is absolutely correct. And that is the school of thought of Structural School of Economics. So I think, that component is the philosophical basis and

dimension for our engagement. I am not getting into the speech of 2003-04. But if there are students who are interested in this, they should read this speech of 2003-04. They should also read the speech of 2007-08. Both these budget speeches are historic in terms of how we analyze our development cooperation.

This is the slide that Additional Secretary Mr. Prabhat Kumar was mentioning. And Mr. Prabhat Kumar, we further worked and refined our database. And I am so glad to report back to you that out of these five modalities what we calculated as US\$ 107 billion, actually the revised figure stands at US\$ 156.9 billion. So, from 1947 to 2022-23, the committed expenditure by Government of India, for all the five modalities stands at US\$ 156.9 billion.

As I had informally mentioned to you, in this period we also calculated China's development assistance. And I am so glad to mention that this myth that has been created that India's development cooperation number was bypassed by China and China dominates, that's not exactly the case. How we consolidate our position, and what foot print we have, what public perception we have is an entirely different issue. But in terms of number, we are far ahead of any of our other Southern partners, be it Brazil, or South Africa, or anyone. So there is no question of comparison. The rationale doesn't arise. But those who give this impression is not correct.

The partner countries in terms of engagement, the number of countries and Miss Nutan Kapoor Mahawar was very keen that we should bring in how many countries we are engaging. The maximum number of countries that we engaged in was in 2003, with 156 countries. But even now, it is varying from year to year, but at this point in 2019, the last number for which ITEC figures are there in the public domain, the number stands close to 152. Then it is now 111.

The training in India has expanded from 1947 to 2020, according to our calculation at RIS which Secretary ER was very keen to know. Sir, the number stands at 4,15,605. These many people we have trained from 1947 to 2020. If I get the numbers of 2021-22, I would be very happy to add it. And we started with Indonesia. In fact, this slide would give you the pre-ITEC picture which I wanted to bring to the notice of DG, ICWA.

Madam, when we started in 1946, with 8 individuals, in 1949 we announced 70 scholarships, in 1953 we gave to another 100. The total number from 1949 to 1964, prior to ITEC and the cumulative number is 1750. That's the number. And then there are these specialized training programs and structured training program. I see that I am already crossing my time limit.

This is the huge proliferation of ITEC. ITEC we prescribe in one word, but the plurality and congratulations to DPA too for bringing in this diversity in courses. The diversity of these courses is matched by no other country. I am sure no other country is offering such a wide variety of ITEC programs.

The lines of credit, India has provided total 581 lines of credit. Right from 1948, Myanmar was the first country that was given line of credit as part of our Sterling account. And US\$ 77.9 billion so far have been spent by India for 581 lines of credit till 2020. The grant element, so as I said, here you could recall, I said that there are these 5 elements, so grant is one of them.

Newspapers and others, very often focus just on the grant element. We say, that is not the way. You should include expenditure on capacity building, trade, technology, concessional finance all together, to say what is grant element. But newspapers take very narrow view of our development assistance. But at this point, our grant stands at US\$ 50 billion, right from 1947 till now.

Similarly, in 2008, we introduced duty free, quota free access. The revenue foregone from this scheme stands at US\$ 7.1 billion. Technology transfer, we have already spent a huge amount in terms of giving the support, the number I have already given earlier. A huge plethora of institutions. And, at RIS since last 10 years, we have analyzed annual report of all Ministries. Our data base covers not just MEA expenditure, but even of the line Ministries.

The new trends are, new definition of ODA, the triangular cooperation, impact assessment, for which I think MEA has to do much more. Secretary (ER) was saying that more criticism would be important. Sir, my humble submission to you would be to see how a cadre of people is generated and you bring in people from research institutions like ICWA,

RIS, others, who can bring in the impact assessment component. That is going to be extremely important.

There are new instruments coming in. The development impact bond, the social impact bond, these are important new modalities that India can explore. The idea of inter-dependence, the idea of results-based mechanisms, the idea to shift from quantity to quality, entitlement-based approaches to entrepreneurship-based approaches, integrated approach through Agenda 2030, or localization of development.

And that's India's biggest advantage vis-à-vis China's BRI. India's development projects have won hearts largely because we have emphasized on local talent, local capacity and local supply systems. India's line of credit which initially was securing 100% from India was reduced to 95%, then has been reduced to 70%. In some cases, it even went up to 61%. So in case of Laos and Cambodia, we reduced it to 61%. So, we are creating space for local, securing local supply systems.

Line of credit is not purely Indian supply system. Way forward, line of credit as was suggested, has to go through some change. From RIS, we have already submitted a proposal to DPA. We need to explore opportunities of new LOC, where we bring in dimensions of change, we bring in non-sovereign sources of funding, on lines of how KfW, JICA, JBIC, UKEF, AFD etcetera are working.

And DPA need to see how this India International Development Fund (IIDF) can come in. And that I think would be a new opportunity for DPA to do away with EXIM Bank. Since I also sit on the board of the Reserve Bank, I am seeing the depleting health of EXIM Bank with huge lines of credit. Though there is sovereign guarantee, but that also has a huge burden on the financial architecture of the country. So I think, that's important. I stop here and thank again our ICWA for giving me this opportunity. Thanks a lot, Madam.



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