India’s Digital Development Diplomacy for Africa

Mains Syllabus: GS II - India and its neighborhood- relations

Why in the News?

Africa Day is celebrated in May 25.

What are the contributions of India for the development of Africa?

- **State-led Financing** - India has provided over US$ 13 billion in concessional aid and grants to African countries between 2010 and 2024.
- **Lines of Credit** - India is the second-largest issuer of credit to Africa, after China.
- **Capacity-building** – Various Indian educational institutions have signed MoUs with African countries to train their human resources on emerging technologies.
- Indian Institute of Technology Madras has established it’s first overseas campus in Zanzibar.
- **Market Access** - India offers duty-free and preferential market access to several African nations, primarily through its Duty Free Tariff Preference (DFTP) Scheme for Least Developed Countries (LDCs)

  India is Africa’s third-largest trading partner, with bilateral trade valued at approximately US$ 82.1 billion.

- **Renewable Energy** - Through the International Solar Alliance, India has committed US$ 2 billion towards solar projects in Africa, advancing sustainable electrification and energy security.

What is the digital development approach of India to Africa?

- **Support for African Union Digital Strategy** - India aligns its digital cooperation with the African Union’s Digital Transformation Strategy (2020–2030).
- **Pan-African e-Network** - It is a satellite-based network launched by India for connecting countries in Africa for tele-medicine, tele-education, and satellite connectivity.
- **Open-Source** - India’s digital solutions are promoted as open-source digital public goods, distinct from proprietary or surveillance-heavy models offered by other countries.
- This ensures affordability, adaptability, and sovereignty for African nations in their digital transformation.

- **Digital Financial Inclusion** - India has contributed $2 million to the Africa Digital Financial Inclusion Facility (ADFI), supporting digital financial solutions for underserved populations and sharing expertise in digital payments and financial inclusion.

How is India's Digital Public Infrastructure (DPI) transforming Africa's development?

DPI initiatives such as the One Future Alliance (under India's G20 presidency) have emerged to build capacity and provide technical assistance and adequate funding to support DPI rollout in developing countries.

- **Digital Public Infrastructure (DPI)** - India has been sharing it's DPIs such as Aadhaar, UPI, CoWIN, and DIKSHA and co-creating digital solutions to tackle fundamental governance and service delivery challenges.

In 2023, Zambia signed an MoU with the Centre for Digital Public Infrastructure at IIIT-B to support the implementation and scaling up of the Smart Zambia Initiative, a national effort to advance digital transformation across government services.

- **Digital ID Systems in Africa** - Approximately 85% of African countries have national ID systems with digital capabilities.
- Africa's Modular Open-Source Identity Platform (MOSIP) which enables national foundational IDs to be built on open source, is inspired by India's Aadhaar.

In 2021, Togo's National Agency for Identification signed an MoU with the International Institute of Information Technology Bangalore (IIIT-B) to implement the Modular Open-Source Identification Platform as the foundation for its national digital ID system.

- **Digital Payments** - DPI-enabled digital payments are envisioned to be low-cost and frictionless.
- India's DPI approach to digital payments , the UPI, is influencing african countries' payments infrastructure.

In 2024, the Bank of Namibia signed a pact with the National Payments Corporation of India for developing a UPI-like instant payment system.

The "One Future Alliance" (OFA) is a voluntary initiative proposed by the G20 India Presidency to bring together governments, private sector, academic institutions, and other stakeholders to synergize global efforts in the field of

Digital Public Infrastructure (DPI).

What lies ahead?

- A new India-Africa digital compact, anchored in mutual respect, co-development, and long-term institutional partnerships, could serve as a scalable framework for advancing digital inclusion.

References

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[Carnegie | Digital Public Infrastructure: A Practical Approach for Africa]

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