Celebrating 43 YEARS OF INDEPENDENCE OF MOZAMBIQUE
Publisher's Note

Celebrating 43 years of independence of the Republic of Mozambique, I present to everyone this special edition on India–Mozambique ties: India’s African Ally.

Mozambique and India have enjoyed a close relationship since the time of Mozambique’s independence in 1975. Their bilateral relation is an epitome of friendship with India being one of the first countries to set up an embassy in Mozambique.

In 2015, Hon. Mozambican President Filipe Nyusi visited India amidst a celebration of 40 years of the country’s independence. His visit strengthened the bond between the two countries in areas of gas reserves, coal deposits, and investments in agricultural and agri-business.

Hon. Indian Prime Minister Narendra Modi visited Maputo as part of his four-nation African tour in 2016 to enhance ties in the areas of maritime security, trade and investment, agriculture, and food. It was the first such visit by an Indian Prime Minister since 1982, where he assured that India is Mozambique’s “trusted friend” and a “reliable partner”.

This special report can serve as a guide to anyone interested in knowing more about the developments regarding strategic partnerships, cultural exchanges, progress that has been made by India in its ties with Mozambique in sectors like energy and maritime cooperation, and Mozambique’s tourism sector.

We are deeply obliged to the General-Director of INATUR (National Tourism Institute, Mozambique) Mr. Romualdo Johnam for an exclusive interview where he shared his views on the growth strategy for Mozambique’s tourism sector and the vast possibilities for India and Mozambique to cooperate in the sector. In addition, on behalf of our entire team, I convey sincere gratitude to all the contributors for their valuable contributions to Diplomacy and Beyond Plus.

Surya Prakash
Publisher
INTERVIEW WITH ROMUALDO JOHNAM, MOZAMBICAN DIRECTOR-GENERAL OF INATUR
"The history behind these two countries is rich and can easily be noticed through our cultural expressions."

MOZAMBIQUE: INDIA'S GATEWAY TO AFRICA
Present-day bilateral relations began in 1975 when Mozambique achieved independence from the Portuguese.

INDIA-MOZAMBIQUE: CHARTING A NEW FUTURE THROUGH TRADE & ECONOMY
India-Mozambique have a high degree of congruence in the areas of education, health, medical tourism, maritime security, energy convergence, and economy and trade.

INDIA-MOZAMBIQUE RELATIONS: SURGING AHEAD
India has constantly extended its support to Mozambique in her struggle against colonial rule. After the independence of Mozambique, diplomatic relations were established with the opening of the Indian Mission at Maputo.

INDIA-MOZAMBIQUE: ENERGY CONVERGENCE
There is a shared history of profitable and deep-rooted trade relations that has resulted in five-time increase of bilateral trade between the two countries in past five years.

INDIA-MOZAMBIQUE: MARITIME SECURITY AND MILITARY COOPERATION
Today, the Indian Ocean is home to 40% of the world's population, more than 50% of the world's oil, and 45% of the world's gas reserves.

INDIA-MOZAMBIQUE: A VALUED BOND
In 2001, when Mozambique established its mission in New Delhi, both India and Mozambique decided to work towards nurturing their economic, military, and cultural ties.
INDIA AND MOZAMBIQUE: HISTORY WOVEN THROUGH DIASPORA DISPERSION

The history of India's active trade links with Mozambique dates back to more than five centuries. Today people of Indian descent form a significant part of the Mozambican population.

MOZAMBIQUE: UNTouched HAVEN ON EARTH

The country shares borders with the Indian Ocean, Tanzania, Malawi, Zambia, Zimbabwe, Swaziland, and South Africa. The largest city in Mozambique and its capital is Maputo. Half of the 30.53 million population of Mozambique speaks Portuguese, second only to the Bantu language. Other common languages include Swahili, Sena, and Makhuwa.
MOZAMBIQUE: INDIA’S GATEWAY TO AFRICA

- Jatswan S. Sidhu

Although modern-day India–Mozambique relations may be recent, they are, however, deeply rooted in almost half a millennia of history, when Indian traders from South India made their way to this part of the African continent in search of trading opportunities.
In April 1982, President Samora Machel became Mozambique’s first Head of State to visit India and in August 1982, Indira Gandhi became India’s first Prime Minister to visit Mozambique.

Further, in 1499, when the famous Portuguese explorer, Vasco Da Gama visited the country, he noted the presence of Indian traders in Mozambique. Present-day bilateral relations began in 1975 when Mozambique achieved independence from the Portuguese. In fact, India was one of the first few countries to accord official diplomatic recognition to Mozambique and open an embassy in Maputo, the country’s capital in the same year. Mozambique opened its embassy in New Delhi in 2001.

Mozambique is currently not only one of the fastest growing economies in Africa’s Sub-Saharan region, but is also richly endowed with abundant natural resources, especially coal, oil, and natural gas. In terms of oil reserves, Mozambique has the seventh largest reserves in Africa. As far as natural gas is concerned, it has some 85 million cubic feet in the Rovuma basin. Under such circumstances, India’s interest in the country is not only related to its quest for energy security but even extends to the area of maritime security, mainly due to the country’s strategic location in the Indian Ocean.

Over the years, cordial relations between India and Mozambique have been marked by many high-level visits from both sides. In April 1982, President Samora Machel became Mozambique’s first Head of State to visit India and in August 1982, Indira Gandhi became India’s first Prime Minister to visit Mozambique. In fact, all of Mozambique’s presidents have visited India, with the most recent visit made by President Filipe Nyusi in August 2015. Present Indian Prime Minister Narendra Modi visited Mozambique in July 2016, thus, making it the first visit by an Indian Prime Minister since 1982. During the said visit, PM Modi was quoted as saying that India would be a "trusted friend" and "a reliable partner" for Mozambique.

India’s current close relations are not merely based on trade, commerce, and investments alone but cover the area of maritime security as well. With a coastline of some 2,500 km coupled with an underdeveloped Navy and rampant problem of piracy off its coast, Mozambique is very much reliant on India for its maritime security. In fact, at least on two major occasions, the Indian Navy has provided maritime security for Mozambique. This was namely in 2003, when Maputo hosted the African Union Summit, and again in 2004 when the country became the host for the World Economic Forum meet.

It is said that India has successfully projected itself as a reliable maritime security provider, facilitated by a 2006 Defence Cooperation Agreement and another inked in 2012 that allows the Indian Navy to patrol Mozambique’s territorial waters. It was also in 2012, that the Indian Navy began undertaking anti-piracy patrols in the Mozambique Channel. In addition to this and at the multilateral level, defence cooperation is also undertaken through the Indian Ocean Rim Association (IORA) and the Indian Ocean Naval Symposium (IONS), of which both are members. Apart from cooperation on maritime security, in 2017, both countries decided to expand the scope of defence cooperation by resurrecting a dormant joint Defence Working Group. On top of that, India also provides equipment and training for Mozambique’s intelligence services — the State Security and Intelligence Service (SISE). Prior to that, the Indian Army had also participated in the United Nations Operation in Mozambique (ONUMOZ) between December 1992 and October 1994.

As far as investments are concerned, India’s foreign direct investments to Mozambique are largely in the extractive sector, namely coal and iron ore mining as well as oil exploration. In 2012, India was Mozambique’s eighth largest foreign investor, with cumulative investments between 2004 and 2014, valued at around USD 1.28 billion. Further, in 2014 alone, India invested some USD 1.4 billion in Mozambique. In fact, of India’s total investment in Africa which stands at around USD 32 billion, some USD 8 billion have been invested in Mozambique alone, mainly in the
energy sector. Some of the Indian companies that are heavily involved in Mozambique's coal mining sector include Coal India Ltd., Tata Steel, JSW Steeland Essar Group, to name a few. In addition, Damodar Ferro is involved in iron ore mining, while Pure Diets, Rajarambapu Group, HK Jalan Group and Asian Tea are active in Mozambique's agricultural sector. Similarly, in the oil sector, Indian companies that have invested in Mozambique include Bharat Petro Resources Ltd. (BPRL), Oil and Natural Gas Corporation Videsh Ltd. (OVL) and Oil India Ltd. (OIL). Meanwhile, India's investments in Mozambique's non-extractive sector in 2013 alone amounted to some USD 625 million.

In short, Mozambique is the second largest recipient of Indian Foreign Direct Investment in Africa, after Mauritius. In the meantime, India is also keenly eying Mozambique's natural gas sector where Indian state-owned enterprises have already invested some USD 6 billion in the Rovuma field, with an additional USD 6 billion to be invested in 2019.

At least till the mid-2000s, trade between both remained rather insignificant. It was only after 2006 that trade between both began witnessing noteworthy growth, eventually reaching its pinnacle in 2014. In 2014-2015 alone, total trade between India and Mozambique stood at USD 2.4 billion, with the trade balance favoring India. Coal and dried legumes (pulses) make-up the bulk of Indian imports from Mozambique, totaling to some 87%. Between 2008 and 2015, India's import of pulses from Mozambique witnessed a fifteen-fold increase while the import of coal from Mozambique has also increased dramatically since 2012.

Apart from these, India also currently provides Mozambique with substantial amounts of development aid in the form of concessional Lines of Credit (LoC), thus making it the former's third largest recipient of LoC. For example, between 2002 and 2013 alone, India provided Mozambique with a LoC amounting to some USD 649 billion. In fact, in 2014 alone, India dispensed some USD 216.4 million in LoC to Mozambique. This is in addition to the scholarships provided by the Indian government, through the Africa Scholarship Scheme of the Indian Council of Cultural Relations (ICCR), to deserving students from Mozambique to undertake undergraduate and post-graduate studies at institutions of higher education in India.

While India’s relations with Mozambique in the past may have been premised on the basis of enhancing cooperation and forging Afro-Asian unity, present-day relations, however, signify a convergence around three major areas namely food security, energy security, and maritime security. Taking into account recent developments and the extremely active relations between both, it is reasonable to argue that Mozambique is definitely poised to emerge as the focus point for Indian investments in Africa, as its major source for food and energy supplies, and its proximate military ally in the western part of the Indian Ocean.