Investments are critical to economic growth, focused efforts are an imperative to drive growth in chosen sectors of the economy and provide convenience and comfort to the investing community."
From the desk of Sri Nara Chandrababu Naidu
Chief Minister of Andhra Pradesh and Chairman APEDB

The Government of Andhra Pradesh had a promising first quarter this 2018, we are not only sparing efforts in realizing the aspiration of our people, but also leading concerted efforts from various ministries, departments, agencies and boards to achieve this vision.

Our pioneering strategic initiatives and various governance practices continue to be enhanced, discussed and spoken about in various forums, conferences and road shows. We had stellar representation at the World Economic Forum where I had issued a clarion call on a renewed vision for agriculture and shared my thoughts on technologies for tomorrow.

The state led a delegation to South Korea and interacts with key partners in Andhra Pradesh’s progress and also seeks new partners in the state’s progress. We signed 37 partners from South Korea that would bring sustained investments and progress to the state.

The state also led a delegation to Dubai, where I had the pleasure of meeting His Highness Sheikh Ahmed Bin Saeed Al Maktoum, Chairman of Emirates Group. My meetings with Saudi Aramco would pave way for energy security in Andhra Pradesh.

Russia as a key partner continues to strengthen our relationships and my bilateral with Russian Denis Manturov is a testimony to loftier ties between Andhra Pradesh and Russia. I congratulate His Excellency President Vladimir Putin on his presidential election.

Back home in Andhra Pradesh, I had the pleasure of hosting Mukesh Ambani to our RTGS in the state where Mr. Ambani expressed his desire to invest in electronics and oil & gas in the state of Andhra Pradesh.

We are committed to acknowledge the growth in the state of Andhra Pradesh by acting as a catalyst and facilitator to investors, both local and global. Our state has got commitments worth 4.39 lakh crores at the Partnership Summit 2018 and we are already seamlessly facilitating these investments and furthering the momentum of progress.

As 2018 advances, I look forward to the continued and proactive participation of everybody in Andhra Pradesh.

Messages from Mr. Yanamala Ramakrishnudu
Minister for Finance & Planning, Commercial Tax & Legislative Affairs.

Today, Andhra Pradesh is adjudged to be one of the fastest growing economies in India with a y-o-y GSDP growth rate of 11.67% for the year 2016-17, and due to our investor-friendly approach we had yet again, been nominated as the No.1 state in India, for Ease of Doing Business by World Bank with 96.75 percent implementation percentage. This was made possible by the conscientious and decisive governance of our Chief Minister, Mr. Chandrababu Naidu, who is the driving factor behind the making of our vision of ‘Sunrise’ Andhra Pradesh, a reality. The state is seeing a steady and well-planned growth despite its initial challenges which arised from the bifurcation of the larger state of erstwhile Andhra Pradesh.

In our recent budget, I had prepared a Rs. 1.91-lakh-crore budget, with a projected revenue surplus of Rs. 5,235 crore, for financial year 2018-19, aiming to make every citizen in this state a happy person. It is worth noting that the per capita income of the state rose to Rs. 142,054 in 2017-18, from Rs. 123,664 in 2016-17, registering a jump of 14.87 per cent.

Our government, under the able and visionary leadership of Mr. Chandra Babu Naidu, is converting challenges into opportunities, and moved from despair to hope, disillusionment to confidence and deprivation to growth. A happy state is to be built on the pillars of sustainable and equitable socio economic development, environment conservation, preservation and promotion of culture and, last but not the least, good governance which is assured in the state of Andhra Pradesh.
The State of Andhra Pradesh is building a conducive ecosystem that can attract the investment intents that enhance the geographic and demographic advantage of the state. In the event of Partnership Summit, the team APEDB has invested best capacities in terms of attracting investments across the priority sectors; each and every individual of the team was responsible for adding value to the sectors, plenary and country sessions. It is remarkable that intents worth 1.51 lakh crore were attracted by APEDB, and the summit ensured 4.39 lakh crore worth of investments across the departments generating 11.02 Lakh Jobs. Converting these intents to a reality is need of the hour and team APEDB and all the departments should extend their best efforts in translating the intents. During the Summit, we have marked a collaborative initiative of entering MoUs along with the departments and signed 734 tripartite agreements, which will strengthen the grounding process and realise investments.

Mr. S.P. Tucker, IAS (Rtd.)
Executive Vice Chairman, APEDB and Former Chief Secretary, Government of Andhra Pradesh

The Andhra Pradesh State’s effective governance is complemented with a well-planned industrial infrastructure, dedicated land-bank for Industry, and connectivity makes the state an increasingly attractive destination for businesses. The Andhra Pradesh Economic Development Board (APEDB), responsible for the state’s sustainable economic growth, has registered several remarkable achievements since its formation in 2016.

APEDB had organized some of the international trips such as the World Economic Forum in Davos, and more recently to Dubai, UAE to sign an MoU with Emirates, one of the world leaders in aviation, for developing the aviation sector in AP. Representatives from both sides—His Highness Sheikh Ahmed binSaeed Al Maktoum, Chairman and CEO of the Emirates Group and Mr. J Krishna Kishore, CEO, APEDB—signed the agreement in the presence of Mr. N.Chandrababu Naidu, Honourable CM of Andhra Pradesh. Through this association APEDB has been successful in securing multiple investments in the state of AP on several fronts such as: Oil and Petrochemical, Defence manufacturing, Aviation, IT, Agriculture and Irrigation.

The Partnership Summit is an annual investment extravaganza and the state has witnessed participation of 4250 delegates from over 50 countries. The APEDB concluded the Partnership Summit 2018 with major commitments as it has signed 144 MoUs worth over 1.51 Lakh crores and was instrumental in orchestrating the South Korea and Japan country sessions at Partnership Summit 2018.

The APEDB is thus undertaking consistent efforts to sustain the current double-digit growth rate of the state and secure sustainable economic development for the state through strategic planning, promotion and hand-holding of investments into the state of Andhra Pradesh.

Mr. J. Krishna Kishore, IRS.,
Chief Executive Officer, APEDB, Andhra Pradesh

“APEDB has instituted strategic direction and invested in human capital, furthering the achievements of the state”
The Government of Andhra Pradesh in partnership with the Confederation of Indian Industry (CII) and the Department of Industrial Policy and Promotion (DIPP – GoI) organised the Partnership Summit in Visakhapatnam, from 24–26 February 2018, for the purpose of boosting investments into the state and for attracting new business alliances.

**At the Summit**

Participants at the Summit included over 14 trade Ministers and delegates from over 60 countries; it had nine sectoral sessions, as well as country sessions on Singapore, Korea and Japan.

Major focus was on the following sectors:
- Aerospace & Defence
- Agro & Food Processing
- Automobile & Auto Components
- Textiles
- Life Sciences
- Petroleum & Petrochemicals
- Electronics & IT
- Energy
- Mineral-based Industries.

The Vice-President of India, Mr M Venkaiah Naidu, while inaugurating the summit, said, “India is poised to become one of the most vibrant economies of the world and Andhra Pradesh in particular will play a key role in the country’s growth story.” Others at the inaugural session were Union Industry and Commerce Minister Mr Suresh Prabhu, Union Minister for Civil Aviation Mr Ashok Gajapathi Raju, Ms Shobana Kamineni, President-CII, the Chief Minister of Andhra Pradesh Mr N Chandrababu Naidu, and noted industrialist, Mr Gautam Adani.

The summit is a global platform for dialogue, deliberation and engagement among global leaders from all walks of life, towards a greater understanding of the forces that are shaping our world, the challenges that need global policy attention, and the responses that are required to manage changes effectively.

- Confederation of Indian Industry

**MoUs signed in the Summit**

The Economic Development Board CEO, Mr Krishna Kishore, confirmed that the Board had signed MOUs worth over crores of rupees over the three days of the Summit in Visakhapatnam.

On the final day of the Summit, the state government clinched deals worth Rs 2.21 lakh crore through 369 MoUs in various sectors, which can go on to create over seven lakh jobs once these convert into real units on the ground. While Reliance Industries’ India Gas Solutions (a joint venture by RIL and British Petroleum) and Adani Group were among the major investors with a collective investment of Rs 1 lakh crores on the first two days, Vedanta Group signed a deal worth Rs 21,500 crores on the final day under which infrastructure and energy projects will be established in the state.

The signing process began on Day One itself when APEDB signed MoUs worth over Rs 6400 crores. The Automotive and Tourism sectors were the focus for the first day, and MoUs worth over 5700 crores were signed in the Auto sector, and the Tourism sector saw investments of over 70 crores, which would together eventually generate employment for over 2700 persons. Mr Krishna Kishore confirmed major MOUs that were inked on Day Two were mainly in the logistics, energy, textiles, food processing, and aerospace and defence sectors.

**Assurances from the Chief Minister**

Speaking at the valedictory session, Chief Minister N Chandrababu Naidu said his government was committed to giving a red carpet welcome to investors; and the AP government would extend all support and facilitate the establishment of their projects. Assuring investors of his absolute commitment he said, “The conclusion of the Summit marks Day Zero of the launching of the projects. If investors submit their detailed project reports immediately, we will give all statutory clearances within 21 days. If there is any problem, give
me a call and I will personally resolve the issues”. Andhra Pradesh has the highest conversion rate – 58.7 per cent – in terms of the number of MoUs signed, with the conversion rate of the major investments at 43 per cent.

**Department wise tally from CII PS-2018**

<table>
<thead>
<tr>
<th>Department</th>
<th>MoUs</th>
<th>Investment</th>
<th>Jobs</th>
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<tr>
<td>Total</td>
<td>734</td>
<td>₹4,39,765</td>
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**Outcomes**

- Increased resonance of “Brand India” in the global mindscape
- Increased awareness among potential investors about investment opportunities in India
- Sharing of the policy landscape and the best practices among the participants
- Showcase “Andhra Pradesh” as the emerging investment destination
- Recognize and facilitate SMEs, private and public sector industry champions for developing cutting edge technology, innovation, scale and adeptness
- Facilitate meetings through structured B2B Meetings between investors

**Andhra Pradesh realizes Chief Minister’s vision of Digital Empowerment**

In his eagerness to make Andhra Pradesh the best state in India, the Chief Minister does not stop at anything. At the Summit he made several promises to the people – cutting-edge technology to drive real time governance, a paperless office from March, and no further rise in cost of electricity, among many others.

On a day when his government signed a staggering 369 MoUs with national and international companies worth Rs 219 lakh crore, this is what he said: “Using technology, I can now monitor everything – groundwater levels, rainfall, street lights, temperature, air quality, etc. I have not seen any other government where this is being done. We want to use technology for the overall benefit of people.”

The Chief Minister wants the best for his people, and for this he wants to put technology at the centre. One idea is to see that every citizen has a fibre connection, and all problems arising from this can be sorted out with a single phone call. Besides this, he stated that his offices would become ‘paperless’ while making a presentation on ‘Technologies for Tomorrow’.

The Chief Minister promoted the use of clean energy and called for innovation in the sector, and he said he would ensure that the cost of electricity in the state does not see a further rise in the future.

Addressing a plenary session on ‘Ease of doing business’, Chief Minister said his government was working to enhance AP’s ranking to a definite number 1 position. The state shared the top spot in the World Bank’s EoDB ranking among Indian states along with its sister state Telangana in 2018.
Partnership Summit, 2018, Visakhapatnam, Andhra Pradesh, India

The Chief Minister of Andhra Pradesh N Chandrababu Naidu addressing the investors attended in the 3rd Partnership Summit, 2018 at Visakhapatnam, Andhra Pradesh, India
Partnership Summit, 2018, Visakhapatnam, Andhra Pradesh, India
Reliance commits to invest in oil and electronics sectors in Andhra Pradesh

On the second day of the Summit, Reliance Industries Limited inked two agreements with the state government promising a total investment of Rs 52,000 crore in oil & gas and electronics sectors. This was further to Mr Mukesh Ambani’s meeting with the CM on 13 February, 2018.

The MoUs were signed by Reliance Vice-President Kiran Thomas and AP government’s Principal Secretaries Ajay Jain and K. Vijayanand, in the presence of the CM. By way of these agreements Reliance will invest Rs 37,000 crores (about $6 billion) in an oil and gas venture and another Rs 15,000 crores in an electronics manufacturing plant to be set up near Tirupati. These ventures are expected to create 25,000 jobs over the next few years.

Reliance, in association with BP International, plans to develop offshore gas infrastructure in the Krishna-Godavari Basin in East Godavari district. No further details of the proposed projects are available at present. Please note that Reliance is already into gas exploration from its D6 block in the KG Basin near Kakinada.

Reliance Jio, on the other hand, will establish an electronics manufacturing park near Tirupati in Chittoor district to manufacture mobile phones and set-top boxes. This facility will come up on a 150-acre site, a senior official said. During his meeting with the CM earlier this month, Mukesh Ambani had insisted that as a pre-condition to setting up the electronics manufacturing park, the state government must promote clusters of educational institutions, such as ITIs and diploma colleges, in the vicinity of the park so as to create employment right after graduation.

Adani Group to invest in energy & port development in Andhra Pradesh

Adani Group has announced their intention to invest over Rs 9,000 crores across several sectors in Andhra Pradesh over the next five years.

Making a commitment to the AP at the Partnership Summit, Adani Group Chairman Gautam Adani said, “We intend to commit investments in the areas of port development, wind and solar energy”. On the first day itself, the group signed a Memorandum of Understanding with the Andhra Pradesh Government to develop a Greenfield seaport at Bhavanapadu in Srikakulam district. Adani also announced plans to set up a 1,000 MW renewable energy project and battery storage facility in the state.

Others

On the first day of the Partnership Summit, over 15 industrial houses signed MoUs worth Rs 15,224 crores to set up automobile units in the state that would provide employment to 57,368 skilled and unskilled workers.

AP is set on exploiting its vast coastline, ports and wide road network to attract investments in the automobile sector. Isuzu and Kia are already grounding their projects in Chittoor and Anantapur of Andhra Pradesh and now representatives from Bangladesh have evinced interest in importing pollution free electrical and solar powered automobiles from India.

“This was one of the best summits I have seen and we want to strengthen our partnership with the AP government in various spheres by facilitating investments.”

- Chandrajit Banerjee
Director General, CII
LuLu Group to develop convention centre and hotel in Visakhapatnam

Abu Dhabi-based LuLu Group on Saturday launched work on an International Convention Centre, a five star hotel, and a retail mall at APIIC grounds, Harbour Park, Visakhapatnam, for the promotion will have a seating capacity of 7,000. The mall will be able to house over 200 national and international brands, along with a two-lakh sq. ft. hypermarket, an 11-screen multiplex, a family entertainment centre, food courts to hold 2500, and more than 20 F&B outlets and fine dining spots.

In an interview with The Hindu, LuLu Group’s Chairman & MD Yusuff Ali MA, said, “We hope to complete this prestigious project by 2021; and we want to provide direct jobs for 5,000 and indirect jobs for another 5,000.”

The total investment on the project – to be taken up in PPP mode over 13 acres with a beachfront view – will be Rs. 2,200 crore. It will be developed on the lines of Suntec Singapore Convention and Exhibition Centre. Calling it a ‘mixed use’ project, he went on to say that the construction will be taken up in phases.

of meetings, incentives, conferences and exhibitions (MICE) tourism. Vice-President, India Shri M Venkaiah Naidu laid the foundation stone for the ambitious project by unveiling a plaque at the inaugural of the CII Partnership Summit and Sunrise AP Investment Meet, in the presence of Chief Minister N. Chandrababu Naidu, Union Ministers Suresh Prabhu and P. Ashok Gajapathi Raju.

The mammoth convention centre will have a seating capacity of 7,000. The mall will be able to house over 200 national and international brands, along with a two-lakh sq. ft. hypermarket, an 11-screen multiplex, a family entertainment centre, food courts to hold 2500, and more than 20 F&B outlets and fine dining spots.

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The Chief Minister requested LuLu Group to complete the construction ahead of schedule so that important events like the CII Partnership Summit could be held there instead of in temporary structures. On a tangential note, Mr Yusuff Ali said that they had already made investments worth $2 billion in India and were looking at possibilities for further investment in retail, hospitality and food processing in various parts of the country.

Andhra Pradesh’s auto ecosystem gets a boost

An MoU was signed between Automotive Component Manufacturers Association of India (ACMA), Society of Indian Automobile Manufacturers (SIAM) and APEDB to develop the automotive industry in the state.

At the Partnership Summit, Union Commerce and Industry Minister Suresh Prabhu stated that his suggestion to the Andhra Pradesh government on setting up a big auto hub on the east coast of the state has been taken seriously “The state has responded positively and the state authorities have decided to take the next step forward in this direction. So, I am sure that in the next few years’ time, India will drive cars made in Andhra Pradesh,” he said.

Prabhu explained that the ministry is also working on sectors like gems and jewellery and agriculture to promote exports. The export promotion council for gems and jewellery is identifying areas where they can set up jewellery making, specifically for exports.

On the same occasion DIPP Secretary Ramesh Abhishek said that Industrial Revolution 4.0 is changing the manufacturing landscape. He said that FDI in the country is growing at a rapid pace and India has received $208 billion in foreign inflows since April 2014 because of rapid reforms and ease of doing business. “India offers huge opportunities for both domestic and foreign investors,” he added.

CII sources also divulged that an MoU was inked between the state government and Google India under which 25,000 Wi-Fi spots would be set up to provide internet services in about 13,000 villages.
Andhra Pradesh is a nerve-center for futuristic industries

At the Partnership Summit, Union Minister for Commerce and Industry Suresh Prabhu also said that Andhra Pradesh is a logical investment destination for futuristic industries. Reiterating Chief Minister N Chandrababu Naidu’s assertion that ‘the future is here’ the minister added that AP was also seeing traditional industries undergo transformation and modernisation.

Alluding to Prime Minister Narendra Modi’s goal of making India a $5 trillion economy in seven to eight years, Mr Prabhu urged the state government to work toward building a $1 trillion economy. At the same venue, CII Director General Chandrajit Banerjee alluded to four key initiatives of the CII – setting up of a CII University of Entrepreneurship in Amaravati, a national Start-up Centre of Excellence in Amaravati, an international convention centre in Amaravati, and the establishment of Fintech Hub in the state.

Executive Vice Chairman of APEDB, Shri S.P. Tucker in discussion with President & CEO of Kuni Umi Asset Management Co. Ltd. from Japan, Mr. Yasuyo Yamazaki, Director & CEO of Krishnapatnam Port Company Ltd., and Mr. Anil Yendluri were present.
Emirates and APEDB sign agreement for Aviation Sector

Emirates, one of the world leaders in aviation, signed an MoU with the APEDB, Government of Andhra Pradesh for developing the aviation sector in AP on 8 February 2018. Representatives from both sides - His Highness Sheikh Ahmed bin Saeed Al Maktoum, Chairman and CEO of the Emirates Group and Mr. J Krishna Kumar, CEO, APEDB - signed the agreement in the distinguished presence of Mr. N. Chandrababu Naidu, Hon’ble CM of Andhra Pradesh, Mr. Yanamala Ramakrishnudu, Finance Minister, Dr. Parakala Prabhakar, Advisor (Communications), Mr. Navdeep Suri, Ambassador of India to UAE, Mr. G. Sai Prasad, Principal Secretary-AP, Mr. Ajay Jain, Principal Secretary- Infrastructure, Mr. Adnan Kazim, Divisional Senior Vice President of Strategic Planning, Revenue Optimisation & Aeropolitical Affairs at Emirates, and Mr. Essa Ahmed, Vice President, Emirates-India.

**Purpose of the MoU**
By means of this MOU, Emirates will help Andhra Pradesh develop the aviation sector through the development of a Maintenance Repair and Overhaul (MRO) Facility, an Aviation Academy, a facility for preparation of in-flight consumables and a skill development project.

Phoenix Group to set up rice mill in Samalkota
Mr Gaurav Dhawan, CEO of the Phoenix Group said they would launch work on a mega integrated rice mill at Samalkota in East Godavari district by April 2018. The rice mill, with a capacity of 3 lakh tonnes per annum, will be the biggest in the world if these plans materialise. The group intends to release 1 lakh metric tonnes of rice in the Indian market and 2 lakh metric tonnes in the international market. In addition to these plans, the mill’s presence can generate employment for 200-400 people.
Chandrababu Naidu elevates status of partnership with Dubai for infrastructure and capital-building

The Chief Minister Chadrababu Naidu said, “I was the Chief Minister of united Andhra Pradesh for 9 years, and my work is there for everybody to see, including Cyberabad”, opening his speech in the Partnership Summit 2018 Road Show held in Dubai. He said, “While I am heading 60% of the erstwhile state, I have made sure that our government sets clear goals of being the top investment destination by 2022, the best state in India by 2029 and becoming one of the best states in the world by 2050.”

The Chief Minister said that we are leading the country in Ease of Doing Business, we have partnered with Lee Kwan Yew School of Public Policy to strengthen our Ease of Doing Business, and we have public service ordinance, which will ensure a responsive government. Our focus areas are clearly defined, which are Agriculture and food processing, Aerospace and Defence, Energy, IT, Life Sciences, Leather, empowering MSMEs and others. He further said that Kia, Isuzu, Hero, and Apollo tyres have already come into our state. Siemens, Gamesha, and Suzlin betc in the energy sector have also set up their base and Foxconn has also invested in AP.

The Chief Minister said that we have been able to develop a strong industrial ecosystem, and each sector has concentrated its development in specific areas. For example, the automobile sector in Anantapur, manufacturing in Vizag, Prakasam, and Chittoor, and solar energy in Kurnool. We are following the cluster approach in every district and region. He also said that in food processing, North Andhra leads in cashew, mango, sugarcane, and coconut. Eastern and Western Andhra are leading in paddy, coconut, banana, oil, and palm. The Rayalseema region is famous for groundnut, Papua, pomegranate, hardware production. He said, “we want to make our state a knowledge hub. So far, we have 8 institutions of excellence and over 15 universities in our state. Even B. R. Shetty will be setting up a medical university.”

He further said that “The capital city Amaravati, the building of the largest Greenfield city in the country, will also offer you a large variety of opportunities. By 2050, there will be 3.5 million jobs created in Amaravati. There will be 1,600 km of cycle tracks in the city, making it more sustainable and green. The 33,000 acres of land for the city was contributed by farmers with trust in a unique experiment of land pooling.”

The Chief Minister said, “Dubai thrived in spite of heavy adverse conditions, and so will we. We have favourable factors like climate, water availability, power supply, tourist attractions and a lot of heritage. In 2017, we had 665 MoUs which are bringing in $163.6 billion worth of investments, and a potential to create 5.5 lakh jobs. We have efficient systems of governance in place, including RTG, Parishkara Vedika and more.”

The Chief Minister addressed the Indian businessmen and told them to help contribute to building their Janmabhoomi. He said, “My dream is that every industrialist and business person in UAE should have at least one unit in Andhra Pradesh.”
J Krishna Kishore in conversation with Denis Manturov

The India-Russia bond has been woven across decades and the two countries have come together again and again for the betterment of their countries, their people, and their ethos. The two have cooperated in the areas of international security and defense, economic, trade and industrial ties; finance and investment; as well as on scientific, educational and cultural themes. However, the current volume of bilateral trade is well below the potential of both countries.

2017 marked the 70th anniversary of the launch of diplomatic relations between India and Russia, and this major milestone is a harbinger of even greater bilateral and multi-dimensional growth.

The many threads in this relationship story formed the background to the Vijayawada meeting between J. Krishna Kishore, CEO, Andhra Pradesh Economic Development Board (APEDB) and the Minister for Trade and Industry of the Russian Federation, Denis Manturov. The exchange between these two high-ranking officials brought to the fore Andhra Pradesh's focus on becoming an inclusive force, not just in India, but on the international stage. These talks laid a solid basis for future, and greater, economic and commercial partnership in the region.

Chief Executive Officer (CEO):
You may be aware that AP is a rapidly growing economy, and I want to inform you that this state has been acknowledged as one of the fastest growing economies in India, and surprisingly we've surpassed the growth of the Indian economy.

Russian Minister Denis Manturov (DM):
Great! I'd like to know more about this development.

CEO:
I can give you some actual figures here. In the first quarter of 2017, while India recorded a growth rate of 5.7%, Andhra Pradesh's GSDP growth rate was at 11.72%.

DM:
How did this come about?

CEO:
Through our investors! Believe it or not, the support of our domestic and foreign investors and partners are helping us to reduce deficits and enhance large-scale employment generation in this state. So, investors play a very vital role in our growth, and we are going all out to make AP a very attractive investment destination.

DM:
I've heard that the World Bank has ranked AP as the No. 1 state in 'ease of doing business'. I'm very keen to know more about this.

CEO:
Our 'ease of doing business' design incorporates several measures - tax, environmental and labour reforms, single-window online clearance, and setting up of commercial courts. When all these fell into place we saw the investment environment becoming very attractive. Apart from this, we have advocated several other measures in the state.

DM:
Please go on. Your growth story seems to be firmly backed with a clear vision and decisive actions.

CEO:
Among the reforms AP has initiated are tax and power subsidies, such as VAT, GST reimbursement, and power at Re. 1 per unit, a digitized database of land, doing away with inspection systems, and commercial courts for settling disputes. Does this make sense to you? Apart from these economic commitments, AP is also blessed with various topographical advantages, like a long coastline of 974 kms with natural deep draft ports, as well as rich mineral and petroleum deposits.

DM:
Definitely, these are a big help. You are indeed making your state a very attractive destination. Let me tell you that we are greatly interested in AP and that is why I have come here.

CEO:
Hopefully what I have mentioned thus far has given you a clear picture of who we are and what we can offer.

DM:
Russia is interested in developing cooperation with Andhra Pradesh in such areas as energy, transport and infrastructure, manufacturing and mineral-based industries, petroleum, petrochemicals, aerospace, defense technologies, automobile and auto components, electronics, biotechnology, agriculture, leather, textiles and apparel, etc. What do you think? Possible?
CEO: These days, let me tell you, Andhra Pradesh is being recognized as a powerful and rapidly growing economy in the India of today. As such AP can play a significant role in increasing India-Russian trade and economic ties by way of developing joint ventures and through mutually attractive investments.

DM: It was a pleasure meeting you. You have succinctly described your clear plans and vision for your state. This is a good starting point for greater cooperation and better economic growth for both our countries. Let our teams now chalk out a plan for what should come next.

CEO: Once again I thank you for coming all the way to meet us and to hear our side of the story. Hopefully we can parlay our discussion into something concrete and beneficial to all.

Outcome
As a fallout of this meeting two MoUs were signed:
- an MoU between Russia’s United Shipbuilding Corporation (USC) and Andhra Pradesh Economic Development Board was signed to set up ship building capabilities in the state;
- a tripartite MoU between Techno NICOL (one of Russia’s largest building material companies), Sun Group, and APEDB.
- Russia’s Morinformsistema - Agat Concern and AP are interested in the creation of an integrated monitoring system for the movement of water transport.
- Sistema, a joint-stock financial corporation, together with Tata Consultancy Service is working on the ‘Safe Bus’ project, as part of the Smart City concept under the capital city development plan for Amaravati, the new capital of AP.
- JSC Ruselectronics involved in the creation of an integrated navigational system in Amaravati, the Smart City.
- Cooperation between AP and the Republic of Tatarstan (of the Russian Federation) was enriched based on the agreement of 2013 on trade, economic, scientific, technological and cultural cooperation; as well as an MoU in 2010 with special focus on promoting joint ventures in pharmaceuticals, chemicals, gas-based industries, power plant equipment, bio-technology and IT.

Chief Minister reviews Davos’ tour in Vijayawada
At WEF the Chief Minister and his high-level team went all out to achieve much for his favourite project, the Sunrise State of Andhra Pradesh, and they left no stone unturned during their four days there to project the best of AP. Some activities and outcomes are given below.

- CM attended 25 bilateral meetings.
- Signed two MoUs
  - for sister-state agreement with Canton of Zurich,
  - with Hitachi for setting up MGRM Citizen Lifecycle E-governance platform.
- Alibaba Cloud promised to set up second data centre in AP, after the one in Mumbai.
- Medtec Innovation is ready to establish their own Medtech Park in Visakhapatnam.
- Agility Logistics is expected to visit Amaravati soon; their intervention can help government with predictive analytics of state revenue expenditure.
- Real Time Governance and AP Fibernet implemented in AP praised.
- CM’s presentation on ‘Technology for Tomorrow’ provided a bird’s eye view of the state’s several activities and achievements, along with the AP approach to conducting business in the state. This led to many major companies evincing interest in investing in AP.
- AP, he said, would be developed as an Innovation Valley.
- The CM sounded a call on the importance of natural farming, which elicited much interest from The World Bank, UN Environment Programme, and FAO experts and scientists.
Amaravati, a future economic and business hub for global investors

After his visit to the WEF summit, Mr. Naidu affirmed that India’s youngest capital city, Amaravati, has emerged as the future economic and business hub for global investors.

“I want Amaravati to be India’s centre of cloud management, data analytics, blockchain technology, artificial intelligence and cyber security, etc.”

N Chandrababu Naidu
CM, Andhra Pradesh

Global entrepreneurs are eager to explore the investment potential inherent in Amaravati. “We are now focusing on the global players who are experts in the areas of energy and environment, natural farming, food processing, information technology, manufacturing, solar energy, employment and education, infrastructure and financial inclusive businesses for sustainable economy of the state. Hence, CRDA should make all necessary arrangements to invite these global experts,” the CM continued.

In response to the CM, Principal Secretary-Energy and CRDA, Ajay Jain, stated that this being a priority, a total investment of Rs 40,000 crore has been earmarked for construction of the government complex in an area of around eight million square feet. For this purpose tenders were called, for projects worth Rs 33,368 crore, to create world class infrastructure in the capital city.

At this point it is relevant to mention that ANAS S.p.A., an Italian government-owned company working in the area of construction and maintenance of highways/roads, is keen on investing in the infrastructure development of Amaravati. The AP government has chosen the hybrid annuity model for developing infrastructure, under which 51% was to be invested by the developer and the balance would be contributed by CRDA.

A decentralised approach towards IT Sector

According to IT Minister Nara Lokesh, the Andhra Pradesh Government is planning decentralised development of IT sector in the state. The IT Minister, who had toured the United States and met CEOs of several companies to attract investment, said the policy set out by the state was to develop an IT hub not only in Visakhapatnam but also in Rayalaseema.

He said the mistake made in Hyderabad of having just one centralised IT hub will not be repeated in the new state. Amplifying on the adoption of the latest IT innovations in the government’s programme and procedures, he cited the digitisation of land records using the blockchain technology.

During his visit, the IT Minister inaugurated the Falcon X Incubator in San Francisco, which was established by the G-10 group to encourage start-up companies in Andhra Pradesh. On the occasion, Chief Minister N Chandrababu Naidu interacted with the participants through video conference.

AP Government incentivizes economic cities project

The Andhra Pradesh State government has decided to support the Economic Cities Project by giving certain incentives, exemptions and relaxations.

What is this Project? The economic cities development is a vision formulated by the government to create a self-sustaining ecosystem with a walk-to-work environment that generates economic growth and creates jobs, provides housing to all sections of society, and also caters to their social, recreational and other needs.

The Urban Infrastructure Promotion Committee (UIPC), under the chairmanship of the Chief Secretary, evaluated certain projects of economic cities and made some recommendations in respect of six projects in Vijayawada, Guntur, Rajahmundry, Kurnool and Visakhapatnam.

The government has decided to provide external trunk infrastructure to the extent of Rs 51.2 crores for these six projects. Housing component of the economic cities will be developed under Credit Linked Subsidy Scheme (CLSS) of Pradhan Mantri Awas Yojana (PMAY) with no subsidy from the AP government.

How does it benefit the people? The government will put up a list of beneficiaries for housing for the economically weaker sections (EWS) in this Economic Cities Project that will offer several benefits. Exemptions of fees and other charges, such as building license fee, publication charges, tree guard charges, infrastructure deposit, land use conversion charges, non-agricultural lands assessment (NALA) charges for land use modification, city level impact fee – will all be provided for EWS housing.

Other attractions for the EWS include exemptions on stamp duty and registration charges, as well as twenty-one days single window clearance.
IT Minister extends invitation to Google Cloud

At his meeting with Google Cloud COO Diane Bryant and Google India Team, the Minister said that the AP government had put in place many steps to make the state Cloud Hub compliant, and it had already released a separate exclusive policy for Cloud activities in order to attract such centres into the state.

During his meetings in USA, he impressed upon the audience that the government has been using various technologies to deliver citizen services using data analysis after getting information through the use of IoT, sensors and drones.

NRTs must become ambassadors of AP says CM

At a meeting with Non-Resident Telugus (NRTs), Minister Lokesh, spoke of attracting more investments into the new state, and of how the Chief Minister was keen on having them as brand ambassadors of the state.

He said that he would like to see the per capita income of Telugu people in the US reaching $1.5 lakh from the present $86,000. While participating in the NRI TDP and NRT meeting at San Francisco, he said priority was being given to skill development and stressed the need for upgrading oneself in keeping with the changing requirements of the industry.

In his interactions with CEOs – such as Alecto Healthcare CEO Lakshman Reddy, and Sysintelli Inc. CEO Ravi Hanumara – he laid bare the advantages of investing in AP and how the state was ranked number 1 in ease of doing business, and of how several businesses have already set up their ventures in the state. Hanumara responded positively to this and agreed to start a unit in AP that would initially provide 100 jobs, and eventually rise to 1000.

Micro-irrigation to see exponential growth in AP

The government has decided to bring under micro-irrigation all land currently irrigated by lift irrigation schemes and borewells, for optimum use of water and power. The State Government has earmarked ₹11,200 crore to bring 40 lakh acres under micro-irrigation in the next five years, according to Minister for Agriculture Somireddy Chandramohan Reddy.

Addressing representatives of micro-irrigation and farm equipment companies at an ‘Entrepreneur summit for promotion of agriculture and horticulture industries in Andhra Pradesh’, Reddy said the Central Government has allocated ₹425 crore, which was 17% of India’s total micro-irrigation budget, to Andhra Pradesh. While the Centre and the State should spend 60% and 40%, respectively, the Andhra Pradesh government has allocated ₹745 crore to this important task, which is more than its share.

Andhra Pradesh will give preference to manufacturers with units in the state. The government has decided to bring under micro-irrigation all land currently irrigated by lift irrigation schemes and borewells, for optimum use of water and power. The State Government has earmarked ₹11,200 crore to bring 40 lakh acres under micro-irrigation in the next five years, according to Minister for Agriculture Somireddy Chandramohan Reddy.

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Collaborations at the World Economic Forum, Davos

An Letter of Intent Signed between Canton of Zurich and AP

Andhra Pradesh State has entered into a sister-state agreement with the Canton of Zurich, a member state of the Swiss Confederation that is located in the northeast part of Switzerland. The Letter of Intent (LOI) was signed by Finance Minister Yanamala Ramakrishnudu and Zurich Councillor and Head of the Department for Economic Affairs, Carmen Walker Späh during the visit to strengthen collaborations through exchange of experience and information.

The agreement will promote collaborations through exchange of experience and information, joint cooperation plans, industry-specific programmes and projects, establishment of joint expert groups, implementation of skill development of an educational nature and regular expert-level consultations, said the Chief Minister.

Alibaba Cloud to expand in AP

Alibaba Cloud (a subsidiary of the Alibaba Group) President Simon Hu announced that the company would set up a data centre of Alibaba Cloud in AP, the second in India. “We already have a data centre in Mumbai, India and we will set up the second one in AP by the end of 2018,” Simon Hu said.

Chief Minister Nara Chandrababu Naidu met with Carmen Walker Späh, Zurich Councillor and Head of the Department for Economic Affairs, who signed a MoU during the visit to strengthen collaborations through exchange of experience and information.

Chief Minister Chandrababu Naidu interacted with Simon Hu, President of Alibaba Cloud and discussed about the huge investment opportunities in AP.
Saudi Aramco to set up a mega refinery in Krishnapatnam

Chief Minister N Chandrababu Naidu held a meeting with Said Al-Hadrami, Vice-President (International Operations), Saudi Aramco, on the side lines of WEF. Leading oil exploration company Saudi Aramco, which is planning to set up a mega refinery in India, has evinced interest in going ahead with the venture at Krishnapatnam in Nellore.

After a detailed study, representatives of the firm identified a 640 square-km plot in the Petroleum, Chemical and Petrochemicals Investment Region with six SEZs as a suitable spot for setting up the oil refinery. Naidu said his government would develop Krishnapatnam as a logistics hub and so setting up the refinery there would be commercially viable. Hadrami in turn said he was “very impressed” and would send the firm’s team to meet representatives of the government in Mumbai.

Boost to AP’s fruit and vegetable farms

The Switzerland-based Indian agriculture accelerator, Pioneering Ventures, has already invested Rs 1,000 crore in agriculture. The company now wants to invest a further Rs 5,000 crore in the next five years, and it has developed a strategy to invest in fruit and vegetable farms. With this context, the Chief Minister and ministers Nara Lokesh and Yanamala Ramakrishnudu, met Chairman Ron Pal of Pioneering Ventures, and its Chief Investment Officer Sandeep Raju, in Zurich.

The Chief Minister informed these two officers about the technological measures the AP government has put into place for increasing profits for farmers. Horticulture has spread across 40 lakh acres in AP, and despite adverse conditions the state has achieved 30% growth. Therefore the government wants to take advantage of this and push coverage up to one crore acres, and for this he sought help from Pioneering Ventures.

“We don’t need you to convince us that we should invest in AP. We are already convinced. What we need to understand now is how and when.”

Tarek Sultan Al Essa
CEO, Agility Logistics
Airbus Defence & Space in talks with CM

Dirk Hoke, Airbus Defence and Space CEO, is currently working on clearances to start manufacturing their transport aircraft C-295 in India. At a meeting with Hoke, the Chief Minister assured him that Andhra Pradesh can provide all the necessary support and facilities for this venture.

Expressing satisfaction over developments, Hoke told the Chief Minister that the project will be executed in 2018 and also invited the Chief Minister to visit their manufacturing units in different countries.

Mr. Naidu met with Airbus Defence and Space CEO Dirk Hoke and invited him to come invest in Sunrise Andhra Pradesh.

New Generation 3D Printer in Visakhapatnam?

The Chief Minister also spoke at length with President Stephen Nigro and CEO Dion Weisler of HP 3D Printing. The company’s officials demonstrated examples of 3D printing to the Chief Minister, including the process of making a metal gear wheel. “We are already in the process of installing new generation 3D printers in Visakhapatnam Medtech Zone,” the Chief Minister said, and asked officials to set up an experience centre in AP, which could be used to demonstrate the process of 3D printing to the people.

CM’s meetings in Davos

• The Chief Minister had a brief meeting with Anil Agarwal, Founder and Chairman of Vedanta Resources. The firm is building a twin tower in Vizag called Vedanta Towers for which land and permissions have been approved. The company is also planning to set up a university township in India.
• State Bank of India Chairman Rajneesh Kumar called on Chief Minister in Davos and congratulated him over the construction of Amaravati and respond positively to Naidu’s suggestion of setting up an SBI regional head office in Amaravati.
• Another meeting was with Tarek Sultan Al Essa, Chief Executive Officer of Agility Logistics, and Director Eugene Mayne to discuss the company’s expansion plans. A delegation from Agility Logistics is expected to visit Amaravati soon and take the process ahead.
• Naidu invited UPL Limited’s Global CEO Jai Shroff, to AP to demonstrate a product, the firm claims can absorb water in fields and release it during dry spells. This product can increase productivity by 40 per cent.
• The Chief Minister also met Bernard Charles, President and CEO of Dassault Systèmes, who disclosed that the implementation of certain technologies resulted in zero accidents in air transportation last year. He said that these technologies can be transferred from aerospace to other domains by applying the same science. The Chief Minister requested him to bring those technologies to Amaravati.
The Government of Andhra Pradesh has crafted and rolled out a 360 degree campaign across billboard, TV commercials, and online campaign as a lead in to WEF2018 in Davos. Highlighting “US$43 billion in new investments” the campaign pegs on “Step into Andhra Pradesh, India’s Most Business Friendly State”.

[Images of people and settings related to the campaign]
Chief Minister Chandrababu Naidu invites Mahindra to set up industrial city in AP

Chief Minister N Chandrababu Naidu has urged the Mahindra Group to set up a world-class industrial city in Andhra Pradesh through a joint venture with the state government, with housing, businesses, manufacturing and non-manufacturing industries. When Mahindra Group chairman Anand Mahindra unveiled his plan to set up an industrial city at the World Economic Forum (WEF) in Davos, the Chief Minister gave assurance that his government will extend all needed support.

The Chief Minister invited the representatives of Mahindra to visit AP and find a suitable location for their operation. The CM sought Mahindra’s support in the planning and construction of Amaravati and launching electric vehicles in the capital city.

Chief Minister of Andhra Pradesh Chandrababu Naidu delivering a speech on “Technologies for tomorrow” on the third day of Davos World Economic Forum.

Chief Minister presentation a memento to Mr. Anand Mahindra, Mahindra Group Chairman

Chief Minister shares with top technologists on AP’s experience of “technology for tomorrow”

Chief Minister N Chandrababu Naidu on the third day of the World Economic Forum in Davos highlighted the use of technology for overall development of the people in the state of Andhra Pradesh.

The Chief Minister in his presentation “Technology for Tomorrow” explained the implementation of various projects in the state. “Bring any innovative or idea to me and I will give you an opportunity to experiment and scale it to a global level. We are starting an Innovation Valley in AP,” he said. The Chief Minister explained that he wants to take ‘Ease of Doing Business’ to the next level, and make it ‘Ease of Living with Happiness.’ The Chief Minister explained the implementation of Real-Time Governance and the integration of all departments through e-Pragati, e-Office and e-Cabinet.

At the CII CEOs Round Table conference, the Chief Minister said AP, a new state, was like a small baby that needs to be nurtured. “I built Cyberabad and have all the required experience, but now the challenges and opportunities are different,” he said. Around 20 CEOs from different industries, including financial services, infrastructure and telecommunications, participated in the discussion. Expressing optimism about the future of Andhra Pradesh, the Chief Minister said, “we are all living in inspiring times. Two decades ago, I promoted IT in Andhra Pradesh, I built HITEC City and Cyberabad when technology was for only a few business elites, but now, it is everywhere.”

The Chief Minister focus on farmers

The Chief Minister invites UPL Ltd Global CEO Jai Shroff to AP to demonstrate a product the firm claims can absorb water in fields and release it during dry spells. The product will increase productivity by 40 per cent. The firm is also keen on introducing India to a product which blends with fertilisers to prevent it from getting washed away, reducing consumption of chemicals by 30%.
Government of Andhra Pradesh has announced 2018 as the ‘Natural Farming Year’

Andhra Pradesh plans to promote zero budget farming with UN-backed SIFF

Government of Andhra Pradesh (GoAP) is planning to scale up Zero Budget Natural Farming (ZBNF) in the state in the next six to eight years through farmer outreach programs. It has also partnered with Sustainable India Finance Facility (SIFF), a collaborative initiative of United Nations (UN) Environment, World Agroforestry Centre, and BNP Paribas for scaling up natural farming.

Started in 2015, ZBNF scheme has been rolled out to 1,38,000 farmers across all 13 districts of AP, covering almost 1,50,000 acres of agricultural land. It calls for usage of natural farming practices like low-cost locally-sourced natural concoctions, inoculums and decoctions based on jiggery, cow dung and urine to eliminate the use of chemical fertilisers and pesticides.

Speaking on the sidelines of launch of a study on zero budget farming in AP by the Council on Energy, Environment and Water (CEEW), a research partner of SIFF, at the World Economic Forum, chief minister Chandrababu Naidu said, “The success of Andhra Pradesh’s Zero Budget Natural Farming experiment will not only help India to meet its Sustainable Development Goals (SDGs) but will also inspire and transform the lives of millions of farmers across the developing world. Hence, the GoAP has announced 2018 as the ‘Natural Farming Year’.

The government plans to scale it up to six million farm-lands across AP that would generate millions of rural employment opportunities across the agricultural value chain including the production, distribution, retail of natural mixtures and market linkages for ZBNF produce.

Erik Solheim, UN Environment’s executive director, said, “The need to design sustainable agriculture and forestry in a way that solves the climate crisis, rather than contributing to it. Right now, more than 30 per cent of the climate crisis could be solved through sustainable land use, yet less than 3 per cent of climate finance, public or private, goes towards it. We need a ten-fold increase in climate finance that goes to sustainable land-use and agriculture”.

Electronics Sector in Andhra Pradesh: A Sectoral Analysis

With a large and thriving electronics manufacturing sector, the State of Andhra Pradesh is contributing to India’s overall manufacturing by commanding over 20% of India’s electronics and hardware manufacturing. Data from the Department of Information Technology, Electronics and Communications, Government of Andhra Pradesh estimates the State’s manufacturing to be poised at 50% of the electronics manufacturing in India by 2020. The Sunrise State of India, with its advantages such as being No.1 State in Ease of Doing Business given by the World Bank and Government of India Report 2017, availability of labour and its long coastline, has the potential to lead the electronics-manufacturing wave in the country.

Manufacturing Ecosystem
Andhra Pradesh currently has a thriving electronics manufacturing ecosystem. There are three existing, specially identified electronics manufacturing clusters with robust infrastructure and logistic facilities to help the electronics manufacturers set up a base. The State with the second longest coastline in India, 974 Kilometres has 6 operational ports. The long coastline and the rapidly advancing port connectivity offer Andhra Pradesh’s electronics manufacturing region a unique advantage to boost exports by providing access to the global markets of Africa and South East Asia.

The Electronics Manufacturing ecosystem of Andhra Pradesh boasts of existing ecosystems such as the Sri City, an integrated business city and electronics-manufacturing hub located strategically near to the port and major metropolitan cities like Chennai.

The Electronics Strategy and five important Pillars
With its existing assets, in order to fulfill its ambitions of being handling 50% of India’s electronics manufacturing by 2020 and lead the way for electronics manufacturing, Andhra Pradesh should adopt a variety of strategic initiatives and macroscopic plans to create overall economic development and jobs for the youth. The Electronics Strategy should be based on five important pillars - Human Capital, Infrastructure, Value & Supply Chain Integration, Policy and Fiscal Incentives and most importantly a system of transparent and good governance. The strategy should integrate the above-stated factors to boost the growth of the electronics-sector.

Integrated electronics clusters
First, the State should concentrate on an integrated cluster-led electronics manufacturing developments, which are located in geographically and strategically planned areas. The proposed cluster model should have special fiscal and policy incentives that are attractive to the manufacturer. Further, to make the ecosystems more attractive, these electronics clusters should be envisioned with common facilities like Test & Certification, Tool Room, Design House Plastic Moulding, Packaging IT/Communication Centre Common Training/ Convention Centre Workers Housing Complex & Related facilities, which cater to the manufacturing, social and other infrastructural needs.

The success of clusters is evident and validated by studying existing cluster-based ecosystems such as Tianjin Cluster in China, which combines industrial, policy, low-cost and location advantages together. A green battery and an auto cluster revolution were observed in Tianjin because of cluster-led development. Another evidence for the success of cluster led development strategy is the Malaysian Electronics industry, called Cyberjaya. Therefore, cluster led development is the way forward for economic growth of developing economies and can be concentrated on in Andhra Pradesh. However, a favourable macroeconomic environment with efficient systems to eliminate drawbacks from excessive regulations, bureaucracy and existing legal frameworks should support this strategy.

Recommendations
1) The Government should target anchor units manufacturing polysilicon which would become the epicenter of the cluster-led growth. This value chain based sector development will ensure a holistic development for the industry and also cut down the logistical costs, due proximity to raw materials and components.
2) The Government should focus shift its focus from traditional electronics manufacturing to emerging and ahead of the curve industrial ecosystems. For instance, the State of Andhra Pradesh already hosts the Indian Space Research Organization’s launch site located in Sriharikota. By leveraging on existing advantages the Government should work towards planning a space-manufacturing cluster near to the launch site.
3) Strengthening the innovation and R and D initiatives in the State. These initiatives should synchronize with the macroscopic development plan. Building a strong innovation base in areas like the Internet of Things, Medical Electronics Device, Energy Efficient devices, supported by a prototyping and manufacturing infrastructure will help create global products while giving an to innovation and entrepreneurship. Lastly, these initiatives should be supported by targeted skill and training initiatives, keeping in mind the industrial needs will also solve the bottlenecks due to unavailability of skilled-labour.
Agreements signed and understanding reached

MoUs signed by AP Economic Development Board

The Andhra Pradesh Economic Development Board (APEDB) has signed a Memorandum of Understanding (MoU) with Biometronic Technology Private Ltd., for mutual cooperation in infrastructure and industrial development of Andhra Pradesh through investment.

By means of this MoU the investor intends to explore manufacturing possibilities as well as the scope for investing in Compact Camera Module, Lithium-ion Electrode, and Printed Circuit Board (PCB) in Andhra Pradesh. On its part APEDB’s CEO, J Krishna Kishore assured them that they will facilitate necessary assistance for the investor’s entry into the Indian market, provide

CETC breaks ground for its 200 MW Solar PV Cell Manufacturing park in Sri City

CETC (India), an ancillary of China Electronics Technology Group Corporation (CETC), hosted a ground breaking ceremony on Thursday, marking the start of construction of its Solar Photovoltaic Cell (PVC) Manufacturing park (phase 1) in Sri City. Mr. Liu Liehong, General Manager, CEO, CETC broke the ground and laid the foundation stone along with Mr. J. Krishna Kishore, IRS, Chief Executive Officer, Andhra Pradesh Economic Development Board (APEDB) and Secretary to Govt. of Andhra Pradesh, Mr. Ravindra Sannareddy, Founder Managing Director, Sri City and senior managers of CETC.

Stating that among the various sites surveyed by them ‘Sri City was the best’, Mr. Liu Liehong said that the facility will be commissioned within 18 to 20 months and sought the support of state government in getting all approvals in time. “We look forward fo work hand in hand with Sri City and AP government,” he added.

Speaking on the occasion Mr. J Krishna Kishore, CEO, APEDB mentioned that the solar industry continues to see strong growth in India, especially when India recently concluded the ISA. CETC established this facility in Andhra Pradesh to be close to its customers in this growing, leading-edge market.”

“The expansion will allow CETC to build close collaboration with customers throughout Asia and ensure synergies across the local supply chain” Mr.Kishore Added.

Stating that it is the first major investment by a Chinese Government owned company in the state, Mr. Ravindra Sannareddy said, “This will be the 6th Chinese company in Sri City, and we are very happy to have yet another major unit in the renewable energy sector. CETC’s entry to Sri City assumes greater significance, as it would help boost solar power production capacity in the country.”

The plant, which will be built in a plot of 18 acre in the Domestic Tariff Zone (DTZ) at an initial investment of around Rs. 320 crores, will be commissioned by last quarter of 2019. The project would generate employment for 300 people in the first phase and about 1,500 total jobs in a phased manner. The plant will manufacture Solar Photovoltaic Cells. During first phase the plant would be of 200MW capacity.

CETC, headquartered in Beijing, is a backbone state-owned enterprise in China. It was officially established in March 1st, 2002. It is made up of 66 secondary member units, 8 listed companies, 42 subsidiaries and over 40 offices overseas. There are 150,000 employees, 18 national key laboratories, 10 national research and innovation centres. In 2016, CETC realised its main business revenue of 188 billion yuan, profit of 18.31 billion yuan, and entered the Fortune Global 500. It is the most powerful national central corporation in the fields of defence electronics, security electronics, etc., with the market covering more than 110 countries and regions in the world.
**Hitachi to help establish e-Governance in AP**

At Davos, the Andhra Pradesh government signed an MoU with Japanese electronics major Hitachi (HIL), for development of the Hitachi MGRM Citizen Lifecycle E-Governance platform in the state. The MoU was signed by Hitachi representatives and APEDB officials in the presence of Chief Minister N Chandrababu Naidu and IT Minister Nara Lokesh.

The APEDB will facilitate HIL in setting up the E-Governance platform, and furthermore, assist in obtaining necessary permissions, registrations, approvals, and clearances, as well as to provide adequate support from concerned departments in the state.

Apropos of these developments Minister N Lokesh said that the government was strategically utilising the Visakhapatnam-Chennai and Chennai-Bangalore industrial corridors for the industrial development of the state.

**Integrated Semiconductor Cluster to be set up in AP**

Savi Research Inc., is committed to investing in the infrastructure and industrial development of Andhra Pradesh. With this purpose an MoU was signed by Mushtaq Tareq, Director, Savi Research Inc., and J Krishna Kishore, CEO, APEDB, which will commit an investment of Rs. 2000 crore. This agreement will help Savi Research to establish an Integrated Semiconductor Cluster in the state.

In discrete phases the Semiconductor Cluster will set up an ultrapure polysilicon manufacturing facility with downstream wafer and semiconductor manufacturing capacity. Eventually this will become an integrated cluster containing an industrial zone, a warehousing zone, and a social zone extending across 35 acres.

Prospective impact: The development of this cluster will generate direct employment for 1500 and indirect employment for 950.

**AP joins hands with German Agribusiness**

With the purpose of strengthening Andhra Pradesh in the development of its food and agriculture sectors an MoU was signed in November 2017. This agreement was signed by Singapore Amaravati Investment Holdings Pvt. Ltd. (SAIH, a joint venture company comprising Ascendas-Singbridge and Sembcorp Development), the German Agribusiness Alliance at German Asia-Pacific Business Association, and the Andhra Pradesh Economic Development Board.

This agreement plans to set up a joint taskforce, which shall, within one year, systematically identify up to three agri-products for the establishment of suitable industries and draw up action plans to achieve this. Moreover it intends to develop strategies, policies and plans to enable collaboration among private and public participants in Andhra Pradesh, Germany, and Singapore, for the promotion of technology, trade, business co-operation and investments in the food and agriculture sectors of AP.
A strategic partnership has been established between the Education Ministry of the AP Government, APEDB, and the UNESCO Mahatma Gandhi Institute of Education for Peace and Sustainable Development (MGIEP) to develop the state into a hub for what has been termed as ‘Games for Learning’.

By way of this agreement, MGIEP and APEDB have agreed to undertake a scoping study on creating the ‘Games for Learning’ Hub which will be dedicated to creating digital pedagogical interventions for building 21st century skills in education. These digital modes of education will be designed by international education specialists through consultation processes.

**About ‘Games for Learning’**

“Using games for learning maybe a relatively new concept but there is much scientific evidence that by using games one can improve the learning process of the students.”

Anantha Duraiappah
Director, UNESCO MGIEP

**Reliance to spruce up investments in AP**

When Mr Mukesh Ambani, Chairman and MD of Reliance Industries, came to Amaravati and met Mr Chandrababu Naidu, the conversation naturally veered towards investment opportunities in the new state. The CM talked about capital designs, construction, Swiss challenge and other progress in AP. In turn, Mr Ambani expressed interest in investing in the agriculture, health and education sectors of the state. Appreciating the Chief Minister’s efforts, Mr Ambani said there is a need to establish private capital, parallel to people’s capital, to attain international attention and investments.

Earlier, Mr. Ambani had visited the Real Time Governance centre in the CMO, at which point Mr Naidu had explained its importance and how it is interconnected district-wise, and thus to villages. Reminiscing about meeting the late Mr Dhirubhai Ambani (Mr Mukesh Ambani’s father) in 1999, the CM recalled convincing him about the potential of using fibergrid, while visiting Reliance’s oil refinery. Upon hearing this Mr Mukesh Ambani observed, “It is because of this that Reliance stands high in the world of telecommunications today.”

**Outcome**

Impressed with his visit and convinced about investing in AP, Mr Ambani has made commitments to seriously invest in Andhra Pradesh – thousands of crores of rupees has been promised – and a good beginning was made with the decision to set up an electronics park in Tirupati. This park, to come up in an area spread across 150 acres in Tirupati, will manufacture mobiles and televisions. This project’s investment figures have not been announced yet.

According to The Economic Times of 14 February 2018, “Tirupati, which already has a large mobile manufacturing cluster of domestic handset manufacturers such as Celkon, Micromax, Lava and Karbonn, will now house the facility of Reliance Jio that would produce 10 million Jio mobile handsets, televisions, chip design, batteries and set-top boxes.”

Other Reliance Assurances

- Mr Ambani has also promised to establish a digital infrastructure, telecom and IT startup in Amaravati on a 50-acre campus.
- Reliance also has plans for a 150MW-capacity solar plant to be set up in Peddapuram.
- Agreed to set up citizen service centres in 5000 villages across AP so that government services are both affordable and easily accessible to all.
CM’s visit to South Korea

During his three-day visit to The Republic of Korea (generally known as South Korea) the Chief Minister accompanied by Finance Minister Yanamala Ramakrishnudu, Industries Minister N Amarnath Reddy and senior officials had occasion to meet several industrialists and other dignitaries. South Korea’s business acumen and mega industrial growth has been an inspiration to AP, stated the Chief Minister, and this is what led them to make this trip.

In his presentation to the Koreans, Mr Naidu explained that the newly-formed state has put in place several policies and guidelines to make Andhra Pradesh an attractive destination for investors that would lead to growth and prosperity for all. Naidu made a strong pitch for Korean investments in different sectors, such as automobiles, power, textiles, food processing, electronics, and so on. He showcased the Kia Motors story, of how it is setting up an automobile manufacturing plant in Anantapur, which will generate hundreds of jobs in the state.

Moreover, Andhra Pradesh shares many similarities with Korea, he continued, for example its vibrant population and its geographical size.

Korea-AP Collaboration

Investments and intentions to invest came in right from the start of this trip:

• APEDB entered into an agreement with a group of 37 South Korean industries, and Letters of Intent (LoI) were signed – to invest a sum of Rs 3,000 crore in the state.
• Many ancillary units of Kia Motors confirmed a total investment of Rs 4,995 crore and provision of employment to 7,171 persons.
• A Korean township would soon be developed in the state.
• Jusung Engineering CEO, Hwang Chul-joo, told the Chief Minister that it had plans to establish a solar power plant with a capacity of 100 giga watts in India. Hearing this, the Chief Minister earnestly urged him to set up a research and development (R&D) centre in AP.

In Conclusion

During the final stage of his trip, the Chief Minister met the Mayor of Busan, Suh Byung-Soo, who presides over this second largest city in Korea. Busan is a well-ordered city, comparable to Andhra Pradesh in that it has a deep harbour which has allowed it to grow into the largest container handling port in the country and the fifth largest in the world (from Busan city website).

The CM-Mayor discussion dwelt on many topics – Korea’s stunning economic growth, especially in the electronics and chemical sectors; its impressive port activities; and how AP attracted the attention of Korea after Korean company, Kia Motors, set up its unit in the state.

Towards the close of their meeting, Mr Chandrababu Naidu invited the Mayor to the Partnership Summit to be held in Visakhapatnam at the end of February. Mr Suh Byung-Soo responded positively to the invite and said that he would send a delegation to the event.

Chief Minister Chandrababu Naidu along with Finance Minister Yanamala Ramakrishnudu and Industries Minister N Amarnath Reddy, met with a high-level delegation of KIA Motors as a part of the three day trip to the Republic of Korea.
Chief Minister Chandrababu Naidu and Make in India Korea Center signed a Memorandum of Understanding to set up Korea Industrial Complex in Andhra Pradesh (AP). The delegation led by the chief minister went to Busan city to attend a business seminar.

Chief Minister wished the business delegates in Korean- “Aan Yong ho sei”. The Chief Minister’s presentation was translated into Korean language and distributed to the industrialists, in order to attract investors.

“We will give first priority to South Korea in the matter of investments. AP is developing 14 sea ports. Of them, six ports are already working vigorously. 13% of Indian sea coast are in AP,” Chief Minister said at the summit. Naidu enumerated the progress marked in the state in the agricultural sector, as well as the industrial sector.

“Agriculture sector is always a big challenge in India. But AP has achieved a double digit growth rate. Chief Minister said the state government aims for AP to be one of the top three states in India by 2022, the best state in India by 2029, and world’s destination with international standards by 2050. The AP’s aim is to achieve 15 % growth rate for 15 years, Chief Minister stated. “We are working with the aim of 89 percent public satisfaction. We took family development and social development as indicators. We want to develop happiness index,” he added.

In order to encourage industrialists, the chief minister said the government is giving all necessary permissions within 21 days through hassle free single desk portal, and as of now, 23,414 permissions have already been given. He further elaborated that AP is the state with best connectivity with roadways, railways, sea ports, airports and other infrastructure, and also has the best industrial policy. In automobile sector, companies like Isuzu, Kia, Hero, Bharat Benz, Amararaja, Apollo etc. are operating in AP.

“Twenty years ago, I brought in many reforms. I built Cyberabad as additional city to the twin cities of Hyderabad and Secunderabad. Now Hyderabad is reaping the benefits. After bifurcation of our state, my work started from the scratch. Our journey began with crises, however I took it as an opportunity,” Chief Minister said. Naidu also praised Korea for developing “very fast” despite facing similar problems as that of AP.

“Taking inspiration from you, AP is passing on the path of development. I request your participation in building a new AP. Our state has many resources. Thousands of kilometers of sea coast are one of the advantages. There are no labor problems, nor issues of law and order. We have a peaceful ecosystem for industries,” he added.
Andhra Pradesh Chief Minister Chandrababu Naidu and his team visited to South Korea on a positive note by entering into a letter of intent (LoI) with a group of 37 companies.

The Andhra Pradesh Economic Development Board (APEDB) entered into the LoI and the investment group has evinced interest in investing Rs. 3,000 crore in A.P. and providing employment to 7,171 people. The ancillary units of Kia Motors have confirmed their total investment to be Rs. 4,995.2 crore.

Chief Minister appealed to the Korean companies to draw inspiration from Kia Motors and come forward to invest in AP. The government was providing many facilities and creating the ecosystem for growth of industry.

When some representatives raised doubts over the investment climate, Chief Minister said, “I assure you again that any problems faced by you will be solved immediately. Anantapur, which you have selected, is close to Bangalore airport and Krishnapatnam port. Infrastructure is in place. There are no law and order problems. Neither there is labour unrest.”

Solar power plant
Jusung Engineering CEO Hwang Chul-joo told the Chief Minister that it had plans to establish a solar power plant with a capacity of 100 giga watts in India. They were also developing the next-generation LED bulbs, called OLED. Chief Minister invited the company to set up a research & development unit in A.P.

Y. Kim, adjunct professor to India Studies at Hankook University of Foreign Studies, and MD of BTN Co. Ltd., presented a proposal for the development of the first local-friendly Sustainable Integrated Smart City in India in Anantapur. Responding to it, Chief Minister said that the $10 billion project can be worked out under the Indo-South Korean Agreement.

LNG value chain business
The Posco Daewoo Corporation said that they are interested in LNG value chain business and the downstream petrochemicals industry in India. Chief Minister said that they could explore the petroleum corridor, and Kakinada and surrounding areas.

Chief Minister met Dasan Networks Chairman Nam Minwoo, Kakam Founder CEO J. J. Hong, Hansol Chemicals Executive Vice-President Stephanie Cho, Gran Seoul Engineering & Construction Lim Byung-Yong, Posco Daewoo Corporation Senior Vice-President Joo, Si-Bo, Lotte Corporation CEO and President Kag-Gyu Hwang and Executive Vice-President Lim, Byung Yun. Iritech CEO Kim Daehoon expressed willingness to visit Andhra Pradesh to discuss the company’s plans.
Chief Minister meets Mayor of Busan on last day of South Korea visit

Busan metropolitan city vice mayor Kim Young Wan addressed the Andhra Pradesh Chief Minister as a dynamic leader, and said there were many similarities between South Korea and Andhra Pradesh (AP), and underlined the need for mutual cooperation in various areas like health and medicare, agriculture, renewable energy, sea ports, development of cities, and the like.

Indian ambassador to South Korea Doraiswami expressed happiness over Naidu’s visit, and said Busan city and AP have many comparisons in work culture, usage of technology, development of ports etc. He also recommended AP as the best place for doing business in India, to the Korean industrialists. “We thought it will take one year but AP government cleared and flattened it in just three months,” he added. Later a short film on development works at the land allotted to Kia motors was screened.

During the Busan Business Seminar, Government of AP and Make in India Korea Center signed an MoU to set up Korea Industrial Complex in Andhra. Similarly, AP Center will be set up in Busan city.

Busan Vice Mayor and Naidu also discussed the chances of mutual cooperation between fisheries university of AP and Pukyoung national university of Korea. The Mayor responded positively, agreeing that Busan and AP had common features in ports and aquaculture.

He added it would be a good idea to establish a sister state relationship. “So far, we have been focusing on Japan, China and the US. We are now keen to establish economic ties with other countries as well,” he said. “I will send a suitable delegation for the Partnership Summit in February,” he said in response to the chief minister’s invite.

Later, the AP delegation went to Busan New Port that was started in 2006. The port officials gave a presentation describing its capabilities. Busan new port is operating with 500 ports from 100 countries.
Chief Minister Chandrababu Naidu addressing the business delegates at one the business seminars in South Korea

Chief Minister Chandrababu Naidu meeting with Mayor of Busan Suh Byung-soo at one the business seminars in South Korea

During the Korea visit, Chief Minister Chandrababu Naidu and his AP’s team visited the Make in India Korea Center.

Chief Minister Chandrababu Naidu and his team met with Kia Motors Vice-President Hyoung Keun-Lee and other Kia-delegates at Kia Motors Headquarter in South Korea.
ACKNOWLEDGMENT

The information and photos represented in this newsletter are produced by and a property of the Andhra Pradesh Economic Development Board. However, some of the content may have been sourced from the internet, news agencies and subsidiary government bodies. The editorial team of the newsletter acknowledges all such contributors for their support.