

India – U.S. Relations

Overview:

India-U.S. bilateral relations have developed into a global strategic partnership, based on increasing convergence of interests on bilateral, regional and global issues. The State visit of Prime Minister Dr. Manmohan Singh to Washington D.C. from 22-26 November, 2009 as the first State Guest of President Barack Obama reaffirmed the global strategic partnership between India and the United States. President Obama's visit to India from 6-9 November 2010, imparted further momentum to bilateral cooperation and helped establish a long-term framework for India-U.S. global strategic partnership. President Obama characterized India-U.S. relationship as one of the defining partnerships of the 21st Century.

The bilateral cooperation is now broad-based and multi-sectoral, covering trade and investment, defence and security, education, science and technology, cyber security, high-technology, civil nuclear energy, space technology and applications, clean energy, environment, agriculture and health. People to people interaction provide further vitality and strength to bilateral relationship.

Strategic Dialogue:

India and the U.S. launched a Ministerial-level Strategic Dialogue, co-chaired by External Affairs Minister and the U.S. Secretary of State in July 2009, which focuses on bilateral relations along five pillars of mutual interest, namely: Strategic Cooperation; Energy and Climate Change, Education and Development; Economy, Trade and Agriculture; Science and Technology; and Health and Innovation. The first round of the Strategic Dialogue was held in Washington D.C. in June 2010. The fourth meeting of the Strategic Dialogue was held in New Delhi in June 2013.

Foreign Office Consultations:

There have been regular contacts at political and official levels and wide-ranging dialogue architecture on bilateral, regional and global issues has been put in place. Foreign Office Consultations are an important part of the dialogue structure. The last round of Foreign Office Consultations was held in Washington D.C., for which Indian Foreign Secretary paid a visit to U.S. on 20- 22 February 2013.

Civil Nuclear Cooperation:

The bilateral civil nuclear cooperation agreement was finalized in July 2007 and signed in October 2008. During the visit of President Obama to India in November 2010, the two Governments announced completion of all steps to

begin implementation of the Civil Nuclear Agreement. U.S. nuclear companies (Westinghouse and GE Hitachi) are in consultations with NPCIL to commence commercial cooperation in this area. NPCIL and Westinghouse signed an MOU in June 2012 committing both sides to negotiate an Early Works Agreement. The civil nuclear initiative has been strengthened by the regular meeting of the Indo-US Civil Nuclear Working Group (CNWG). The last meeting of the joint CNWG was held in July 2013.

Defence Cooperation:

With the signing of the 'New Framework for India-U.S. Defence Relationship' in June 2005, bilateral defence cooperation has intensified with growing defence trade, joint exercises, personnel exchanges, collaboration and cooperation in maritime security and counter piracy operations, exchanges between each of the Services, etc. Defence trade has shown significant growth in recent years with aggregate worth of defence acquisitions from U.S. crossing USD 9 billion. The two sides are in consultations to upgrade the defence relationship by simplifying technology transfer policies and exploring possibilities of co-development and co-production of defence systems to invest the defence relationship with strategic value.

Counter-terrorism Cooperation:

Cooperation in counter-terrorism has seen considerable progress with intelligence sharing, information exchange, operational cooperation and access to advanced counter-terrorism technology and equipment. A new India-US Counter-Terrorism Cooperation Initiative was signed in 2010 to expand collaboration on counter-terrorism, information sharing and capacity building. Separately functional level cooperation on counter-terrorism is being pursued through a Joint Working Group (JWG) on Counter Terrorism that was established in January 2000 and the Homeland Security Dialogue, which was announced during President Obama's visit to India in November 2010 to further deepen operational cooperation, counter-terrorism technology transfers and capacity building. The U.S. Secretary of Homeland Security Janet Napolitano visited India in May 2011 to hold the first round of this dialogue. The second meeting of this Dialogue was held in May 2013 in Washington D.C. The Dialogue reviewed engagement in each of the Homeland Security Dialogue Sub-Groups, namely: (a) Megacities Policing; (b) Combating Illicit Finance, Bulk Cash Smuggling, and Counterfeiting; (c) Cyber-security and Critical Infrastructure Protection; (d) Port, Border, Maritime, Transportation and Supply Chain Security; (e) Science and Technology Cooperation; and (f) Capacity Building.

Strategic Consultations:

India and U.S. have intensified and expanded their strategic consultations in recent years with dialogues covering East Asia, Central Asia and West Asia.

The two sides have agreed on strategic consultations covering Latin America and Africa. India and the U.S. have a trilateral with Japan (fourth meeting took place in Washington on 1 May 2013) and a trilateral with Afghanistan (second meeting took place in February 2013 in New Delhi).

Strategic security related issues:

Matters relating to international security and disarmament, multilateral export control regimes are reviewed under the Strategic Security Dialogue, which last met in October 2012. Issues relating to high-technology trade are discussed in the India-U.S. High Technology Cooperation Group (HTCG).

Trade and Economic Relations:

Total bilateral trade in goods touched USD 62.8 billion in 2012, registering growth of about 9% over the last year. Indian exports accounted for USD 40.5 billion, resulting in a trade surplus of around USD 18 billion. The merchandise trade in first seven months (January to July) of 2013 was USD 38.4 billion, growing at 7.4% over the same period last year. Total trade in services in 2010 (the last year for which the complete data is available) was USD 45.9 billion. In 2010, India's exports to the United States reached USD 24.5 billion, and US exports to India accounted for USD 21.4 billion. There are several dialogue mechanisms to strengthen bilateral engagement on economic and trade issues, including a Ministerial Trade Policy Forum (TPF) and a Ministerial Economic and Financial Partnership. The last Meeting of India- U.S. Financial and Economic Partnership was held in New Delhi in October 2012. The areas covered under the dialogue include macro-economic policy, financial sector reforms & infrastructure finance, anti money-laundering/ combating financing of terror (AML/ CFT) and taxation. India and U.S. are negotiating the Bilateral Investment Treaty (BIT).

As part of the Economic Dialogue, a separate Commercial Dialogue has been set up to cover (a) Trade Defence Measures (b) Small and Medium Enterprises and (c) capacity building on Intellectual Property Rights (IPRs). For greater involvement of private sector in discussion on issues involving trade and investment the bilateral India-US CEO's Forum was reconstituted in 2009. The last round of the reconstituted CEOs' Forum was held in July 2013 in Washington D.C. Separately a Private Sector Advisory Group (PSAG) has also been created consisting of prominent Indian and international trade experts to provide strategic recommendations and insights to the US-India Trade Policy Forum.

An MoU on agricultural cooperation and food security was initiated in 2009, which replaced the India-US Agriculture Knowledge Initiative. This MoU was formally executed on March 16, 2010 by the Deputy Chairman, Planning Commission and the Secretary of the United States Department of Agriculture. There are three working groups under the dialogue: strategic co-operation in

food security; food processing, farm-market linkages and agriculture extension; and, weather, crop and climate forecasting.

Mutual Investments:

U.S. is the third largest source of foreign direct investments into India. The cumulative FDI inflows from the US from April 2000 to March 2013 amounted to about \$ 11.1 billion constituting nearly 6.0 percent of the total FDI into India. During the financial year 2012-13 (from April 2012 to March 2013), the FDI inflows from US into India were \$ 557 million contributing 6% of the total FDI inflow during this period. In recent years, growing Indian investments into the US, estimated by independent studies to be around US\$ 26.5 billion between 2004-2009, has been a novel feature of bilateral ties.

Energy Cooperation:

The U.S.-India Energy Dialogue was launched on May 31, 2005 to promote increased trade and investment in the energy sector, through identification of further areas of co-operation and collaboration, while actively working with both the public and private sectors. Five working groups have been set up under the initiative in areas, e.g., oil & gas, coal, power and energy efficiency, new technologies & renewable energy and civil nuclear co-operation. The last meeting of the working groups and of the Dialogue took place in September, 2012. The areas covered under the Dialogue include: export of liquefied natural gas (LNG) from US to India; enhanced generation of energy from renewables and low carbon resources, and, in this context, the possibilities of large scale cooperation in integration of renewables with the grid, storage technologies, and renewable energy (RE) technologies; financing options for encouraging generation through renewable; utilization of Carbon-di-Oxide, released through Carbon capture and sequestration (CCS) in alternative uses, such as fertilizer manufacture, enhanced oil recovery (EOR) and other such methodologies in order to make CCS commercially viable; and constitution of a new working group on 'low carbon growth' for assessing the Carbon dioxide emissions from different industries and for initiating steps to reduce such emissions. India has expressed interest in the import of LNG from the U.S.

Clean Energy:

An Agreement for Cooperation on Joint Clean Energy Research and Development Center (JCERDC) was signed between India and U.S. in November 2010. The JCERDC is a bilateral initiative designed specifically to promote clean energy innovations initiative by teams of scientists from India and the United States, with a total joint committed funding from both Governments of US \$ 50 million. The Center has funded three research projects, in the areas of solar energy, second generation bio-fuels and energy efficiency of buildings.

Both the Governments have announced that they would provide US\$ 5 million each annually for next five years towards their share of research cost under the Agreement while an equivalent cost will be borne by the Consortia, which will carry out the research. These consortia bring together experts from national laboratories, universities, and industry in both the U.S. and India. Consortia researchers will leverage their expertise and resources in solar technology, advanced biofuels, and building efficiency to unlock the huge potential of clean energy technologies that can reduce energy use, facilitate energy security, and accelerate the deployment of renewable energy sources. The three consortia are the (i) Solar Energy Research Institute for India and the United States (SERIUS); (ii) U.S.-India Joint Centre for Building Energy Research and Development (CBERD); and (iii) U.S.-India Consortium for development of Sustainable Advanced Lignocellulosic Biofuel Systems (SALBS).

Education:

Under the Singh-Obama Knowledge Initiative launched in 2009, education and knowledge have been made an integral part of the strategic partnership between the two countries. The India-U.S. Higher Education Summit that was held in October 2011 in Washington, followed by the Higher Education Dialogues in June, 2012 and June 2013, have laid out the road map for promoting strategic institutional partnerships, deepening collaboration in research and development, fostering partnerships in vocational education and focusing on junior faculty development. As part of this vision, eight joint India U.S. research projects were awarded in 2012, and additional eight in 2013. Moreover, 126 junior faculty have been selected for being deputed to the United States (under the Raman fellowship programme of the University Grants Commission [UGC]) for placement in post-doctoral research programs. The Fulbright program, established in 1950, was renewed in 2008 as the Nehru-Fulbright Program, with enhanced mandate and joint funding, to provide more student and scholar exchange grants in priority fields such as science, technology and agriculture. Programs such as 'Connect India' and 'Passport to India' provide opportunities, to be expanded in the years ahead, for large number of U.S. students to visit India. As per the Open Doors 2012 study of the International Institute of Education (IIE), there are 100,270 students of Indian origin studying in the United States presently, which is the second largest international group comprising 13% of the total in that category.

Regulations have been liberalized to allow twinning arrangements for faculty exchange and other collaborations between universities on both sides; already, there is growing interest in Indian education institutions hiring professionals from the U.S. education system on attractive remunerations, for short-term arrangements. India is seriously looking at the U.S. model of Community Colleges to build capacity for vocational education and skill development, and an international conference on community colleges was

organized in New Delhi in February 2013, with active participation from the U.S. side. Finally, given India's huge population and geographic spread, India proposes to forge collaborations with U.S. Institutions in the area of Technology Enabled Learning and Massive Open On-line Courses (MOOCs) to extend the reach of education. An MoU has been signed between IIT Bombay and edX on Massive Open On-Line Courses (MOOCs) on June 25, 2013 during the India-US Higher Education Dialogue, 2013.

Space:

The two sides have had long history of cooperation in Civil Space arena. A bilateral Joint Working Group on Civil Space Cooperation has been established as a forum for discussions on joint activities in space. The Group had its fourth meeting in Washington DC from 21-22 March 2013. Both the sides have agreed to continue and expand their joint activities in the area of civil space cooperation. Major areas include: (i) exchange of scientists; (ii) OCM2, INSAT3D collaboration; (iii) Cooperation on Mars mission; (iv) nano-satellites; (v) carbon /ecosystem monitoring and modeling; (vi) feasibility of collaboration in radio occultation; (vii) Earth Science Cooperation; (viii) international space station; (ix) global navigation satellite systems; (x) L&S band SAR; (xi) space exploration cooperation; (xii) space debris mediation. NASA and ISRO signed an agreement for activities related to India's Mars Orbiter Mission.

Cooperation in Science & Technology:

The U.S.-India Science and Technology Cooperation Agreement was signed on October, 2005. This is the umbrella agreement for driving the Science and Technology agenda under the "Indo-U.S. Strategic Dialogue". Subsequently, two nations agreed to setup an Indo-U.S. Science & Technology Joint Commission. The first meeting of Joint Commission (JCM) was held on 24-25 June 2010 at Washington DC, to plan, coordinate, monitor, and facilitate bilateral cooperation in science and technology. The Commission, co-chaired by the Science Advisor (OSTP) to the U.S. President and the Indian Minister of Science and Technology, has met thrice, in June 2010, June 2012 and June 2013. The Joint Commission developed an action plan for 2012-2014 that includes joint projects, joint workshops, exchange visits of scientists, and establishment of virtual networking in various disciplines such as basic and applied sciences; atmospheric, environmental and earth sciences; health and medical sciences; data sharing; science, technology, engineering, and mathematics education; innovation; and women in science.

The United States and the Indian Department of Science & Technology (DST) endowed the India-U.S. Science & Technology Forum (IUSSTF) with matching funds to facilitate mutually beneficial bilateral cooperation in science, engineering, and health. Over the past ten years, the IUSSTF has facilitated more than 12,000 interactions between Indian and U.S. scientists. In 2012-2013,

IUSSTF supported over 30 bilateral workshops, four advanced schools, 10 virtual joint research centers, three innovation/technology transfer programs, and dozens of student and faculty fellowships.

Established in 2009 with an annual budget of \$2 to \$3 million per year, the Science and Technology Endowment Board (STEB) promote commercialization of jointly developed innovative technologies with the potential for positive societal impact. Projects focus on improving health and empowering citizens. To date, STEB has awarded four grants, two in the health area (a mobile phone-based diabetes diagnostic and a device to manage fecal incontinence) and two in empowering citizens (improved refrigeration for transporting agricultural products from field to market and providing financial services for the unbanked). Five new awards were announced on the margins of the U.S.-India Strategic Dialogue in New Delhi on June 24, 2013.

Collaboration between the Ministry of Earth Sciences (MoES) and US National Oceanographic and Atmospheric Administration (NOAA) has been strengthened under the 2008 MOU on Earth Observations and Earth Sciences. Under the 2010 U.S.-India Agricultural Dialogue, a “monsoon desk” at the U.S. National Centers for Environmental Prediction (NCEP) has been established for working together towards improved monsoon prediction.

Cooperation in the Health Sector:

The United States and India and share a strong collaboration in the area of public health covering a wide range of issues, including disease prevention, maternal and child health, environmental and occupational health, vaccine development, and emerging and re-emerging infectious diseases. Under the U.S.-India Health Initiative, four working groups have been organized in the areas of Non-Communicable Diseases, Infectious Diseases, Strengthening Health Systems and Services, and Maternal and Child Health.

In order to build up the disease surveillance and epidemiological capacity in India, Global Disease Detection-India Centre has been established in 2010 vide a MoU between Centers for Disease Control and Prevention (CDC) and National Center for Disease Control (NCDC). The Global Disease Detection-India Centre is now fully operational and experts have collaborated in the areas of food borne diseases, emergency operations, zoonotic diseases, public health laboratory systems, disease surveillance, epidemiology, and acute encephalitis.

Over the past few decades, the U.S. National Institutes of Health (NIH), the Indian Council of Medical Research, and India’s Department of Biotechnology have developed a robust relationship in the biomedical and behavioral health sciences, research related to HIV/AIDS, maternal and child health, infectious diseases, diabetes, cardiovascular diseases, eye disease, hearing disorders, mental health, and low-cost medical technologies. On June 14-15, 2012, the

Governments of the United States, India, and Ethiopia, in collaboration with UNICEF, hosted the Child Survival Call to Action event in Washington, D.C. to mobilize the world to achieve the ambitious yet achievable goal of reducing all preventable child deaths by 2035.

People to people ties:

More than three million strong Indian American community includes a large number of professionals, educationists and entrepreneurs, has been increasing its sphere of influence and gaining in political strength. With two Indian Americans occupying high level posts of Governor, a Congressman and several Representatives of State Legislatures and in the Federal Administration, the Community has thus assimilated into their adopted country and acting as a catalyst to forge closer and stronger ties between India and USA.

Cultural Cooperation:

Cultural cooperation between India and the U.S. has rich and varied channels. Apart from the India focused educational programs at the Universities and educational institutions, there are hundreds of private schools, which teach Indian cultural arts. The Embassy, in collaboration with the Indian American Community and cultural organizations caters to the demand to the extent possible. These activities are grouped in to Reading India Series (featuring events related to Indian authors and writings, e.g. historian Rama Chandra Guha, author William Dalrymple), Performing Indian Series (featuring music, dance and theatre, e.g. dancer Astad Deboo, Jazz saxophonist Rudresh Mahanthappa), Beholding India Series (film screening, art and photo exhibitions, e.g. documentary on Jewish contribution to Bollywood, Photo exhibition on Sikh heritage in India), Understanding India Series (featuring lectures on comprehensive and cross-sectional views of India, e.g. Dr. Karan Singh, Dr. Sanjay Subrahmanyam, Prof. Philip-Lutgendorf), and Young India Series (cultural events catering specifically to younger audience, e.g. Spark!Lab project to introduce scientific concepts to through toys to children).

Media:

Indian media is based in the U.S. in a marked way, including PTI, IANS, Times of India, The Hindu, The Hindustan Times, Outlook, Telegraph, Pioneer and other Indian media organizations, which have correspondents based in Washington D.C. and other major cities. The TV channels represented in the U.S. include NDTV, Times Now, CNN-IBN and Asia TV. Reflecting the growing relevance of Internet based information dissemination, correspondents from websites like Rediff.com, Firstpost.com based here also cover the India-U.S. relations.

September 2013