

India - Israel Relations

India formally recognised Israel on September 17, 1950. Soon thereafter, the Jewish Agency established an immigration office in Bombay. This was later converted into a Trade Office and subsequently into a Consulate. Embassies were opened in 1992 when full diplomatic relations were established.

Since the upgradation of relations in 1992, defence and agriculture have been the main pillars of bilateral engagement. In recent years, ties have expanded to areas such as S&T, education and homeland security. The future vision of the cooperation is of a strong hi-tech partnership as befits two leading knowledge economies.

Political ties between the two countries are friendly. The last visit at the level of President/Prime Minister was by the then Israeli Prime Minister Ariel Sharon, who visited India on a state visit in September 2003. There have been frequent Ministerial level exchanges. While Home Minister, Shri. Rajnath Singh visited Israel in November, 2014, the Israeli Agriculture and defence ministers visited India in January and February, 2015 respectively.

Economic and Commercial Relations

From US\$ 200 million in 1992 (*comprising primarily trade in diamonds*), bilateral merchandise trade has diversified and reached US\$ 5.19 billion in 2011. However, the past few years have seen a decline in total trade due to the global economic recession. In 2014, the bilateral trade stood at US\$ 4.52 billion. Trade in diamonds constitutes over half of bilateral trade. India is Israel's tenth largest trade partner overall, and Israel's third largest trade partner in Asia after China and Hong Kong. In recent years, the bilateral trade has diversified into several sectors such as pharmaceuticals, agriculture, IT and telecom, and homeland security. Major exports from India to Israel include precious stones and metals, chemical products, textiles and textile articles, plants and vegetable products, and mineral products. Major imports by India from Israel include precious stones and metals, chemicals (mainly potash) and mineral products, base metals and machinery and transport equipment. The total bilateral trade in services was about US \$ 407 million in 2012. India's services exports to Israel were about US\$ 317 million, of which US\$ 162.6 million was in R&D services. In recent years, Israel has taken a strategic decision to strengthen economic relations with China and India.

Investment

During April 2000-November 2013, FDI from Israel into India was US\$ 73.7 million. The data does not capture FDI flows from Israel to India that flow through USA, Europe and Singapore. Israeli companies have invested in India in energy, renewable energy, telecom, real estate, water technologies, and are also setting up R&D centres or production units in India.

While official data about India's investment in Israel is not available, significant investments from India in Israel include 100% acquisition of Israeli drip-irrigation company Naandan by Jain Irrigation, Sun acquired controlling stake in Taro Pharmaceuticals and Triveni Engineering Industries' investment in Israeli waste-water treatment company Aqwise. TCS started operations in Israel in 2005, and the State Bank of India opened a branch in Tel Aviv in 2007. In 2015, Infosys acquired an Israeli start up Panaya; Tech Mahindra acquired the R&D arm of Comverse and Leadcom.

Agriculture

India and Israel have a bilateral agreement for cooperation in agriculture. Under the bilateral Action Plan for 2012-2015, agricultural cooperation between the two countries are operational in the states of Haryana, Maharashtra, Rajasthan, Gujarat, Bihar, Karnataka, Tamil Nadu, Uttar Pradesh and Punjab. 10 out of the proposed 29 Centers of Excellence in agriculture have already been commissioned and others are at its various stages of development in these states. Both sides signed a joint declaration in January 2015 by which a joint team to discuss and finalize the third phase of the joint action plan (2015-18) was established.

India has benefited from Israeli expertise and technologies in horticulture mechanization, protected cultivation, orchard and canopy management, nursery management, micro-irrigation and post-harvest management particularly in Haryana and Maharashtra. Israeli drip irrigation technologies and products are now widely used in India. Some Israeli companies and experts are providing expertise to manage and improve dairy farming in India through their expertise in high milk yield.

Defence & Security

India imports critical defence technologies from Israel. There are regular exchanges between the armed forces and defence personnel. The last major visit from the Indian side was that of the Defence Secretary on 30 June, 2014 for the Joint Working Group meeting. The then Chief of Army Staff and Chairman of Chiefs of Staff Committee General Bikram Singh had also visited Israel in March 2014. High level officials from Israel have visited India too.

There is ongoing cooperation on counter-terrorism issues, including through a Joint Working Group on Counter-Terrorism that meets periodically. In February 2014, India and Israel signed three important agreements on Mutual Legal Assistance in Criminal Matters, Cooperation in Homeland and Public Security, and Protection of Classified Material. Following this, in the inaugural meeting of the Joint Steering Committee on Cooperation in Homeland Security in September, 2014 established four working groups in the areas of border management, internal security and public safety, police modernization and capacity building for combating crime, crime prevention and cyber crime. These working groups met in Delhi in March, 2015.

Cooperation in S&T

India-Israel cooperation in S&T has evolved on two tracks. There is joint research by S&T institutions under an S&T Cooperation Agreement signed in 1993. Secondly, under an MOU on Industrial Research and Development Initiative signed in 2005, a joint industrial R&D fund i4RD was set up to promote bilateral industrial R&D and specific projects. Under i4RD, joint industrial projects are funded, involving at least one Indian and one Israeli company. On 7 May 2013 Karnataka State Council for Science and Technology and the Karnataka Science and Technology Promotion Society signed an MoU with Israel's MATIMOP, the Israeli Industry Center for R&D, for industrial R&D partnership. Through the program, industries may seek financial support through partner matching and funding for joint bilateral R&D projects, involving at least one small/medium scale company of Karnataka and one Israeli company.

In January 2014, India and Israel held extensive discussions to establish an India-Israel Cooperation Fund aimed at promoting innovations through joint scientific and technological collaborations. The Fund is envisaged to have a total corpus of US\$ 40 million over a period of five years, with each side contributing US\$ 20 million. On the Indian side, the Department of Science and Technology is the nodal Department.

Both sides are also discussing a joint fund for Industrial R&D in IT and electronics. The GOI has announced a contribution of US\$5 million towards this fund.

Tata Industries and Ramot, Tel Aviv University (*the University's technology transfer company*) have entered into an MoU to fund and generate commercial technologies in a wide range of fields, including engineering, exact sciences, environment and clean technology, pharmaceuticals and healthcare. Under the MoU, Tata Industries, with an investment of US\$ 5 million, will be the lead investor in Ramot's US\$20 million Technology Innovation Momentum Fund. Sun pharma signed a research collaboration with Technion for the development of oncology drugs.

ISRO and the Israel Space Agency revived their contacts in 2014 and met in Toronto on 1 October, 2014 in the sidelines of the International Astronautical Congress.

Culture and Education

India is known in Israel as an ancient nation with strong cultural traditions. Young Israelis perceives India as an attractive, alternative tourist destination. Every year 35-40 thousand Israelis visit India for tourism and business. Over 40,000 Indians visited Israel in 2013, the largest number of tourists from an Asian country. They are mostly pilgrims who visit the holy sites. The Embassy organizes several cultural events including lecture demonstrations, workshops, performances etc. in Israel. The first International Yoga Day was attended by more than 1,500 people.

Several courses related to India are taught at Tel Aviv University, Hebrew University and Haifa University. India has signed an MoU with Tel Aviv University for a Chair for Indian studies in the Department of East and South East Asian Studies under which Indian Professors have been visiting for a semester. Some private and public Indian universities have entered into agreements with Israeli universities for faculty exchange under which Israeli professors spend a semester teaching in India.

In May 2013, India and Israel launched a new funding programme of joint academic research, the first round of which will focus on both exact sciences and humanities. Each government is contributing US\$ 5 million annually for five years. The programme will provide support for nearly 50 collaborations providing up to US\$ 300,000 for an experimental project or US\$180,000 for a theoretical project for up to three years. The counterpart organizations are University Grants Commission and the Israel Science Foundation. 21 joint research projects were funded under the fund in the first year. Since 2012, Israel has been offering post-doctoral scholarships to 100 students from India and China. In 2014 - 15, 70 of the 100 fellowships were awarded to Indian students. The Government of Israel has also approved 250 summer scholarships for eight courses for Indian and Chinese students in prestigious Israeli universities like Technion (IIT Haifa), Tel Aviv University, Hebrew University and Ben Gurion University. India offers seven ICCR scholarships and Know India Scholarships to Israelis every year.

In 2013, the Naan Dan Jain Irrigation Company instituted two annual scholarships for Israeli exponents of Indian art and culture to continue studies in India. Four Israelis have been awarded the scholarship so far. In 2014, the Indian diamond community set up a fund to finance study tours to India of meritorious Israeli students of Hindi. Twelve students have benefitted from these scholarships so far.

Indian Community

There are approximately 80,000 Jews of Indian-origin in Israel. Waves of immigration into Israel from India took place in the fifties and sixties. The majority is from Maharashtra (*Bene Israelis*) with relatively smaller numbers from Kerala (*Cochini Jews*) and Kolkata (*Baghdadi Jews*). In recent years some Indian Jews from North Eastern states of India (*Bnei Menashe*) have been immigrating to Israel. While the older generation still maintains an Indian lifestyle and their cultural links with India, the younger generation is increasingly assimilated into Israeli society.

Shri Eliyahu Bezalel hailing from Chennamangalam, Cochin has distinguished himself as an eminent agriculturalist and became the first Israeli of Indian origin to receive the *Bhartiya Pravasi Samman* in 2005. Sheikh Ansari, who manages the Indian Hospice in Jerusalem, a unique Indian connection to the Holy City, was honoured with the *Pravasi Bharatiya Samman* in 2011.

The Indian Embassy facilitated the Second National Convention of Indian Jews in Israel that was held on 14 October, 2014 in Yeruham. The event was attended by almost 3500 people. The First Convnetion was held in Ramle in 2013.

There are about 10,000 Indian citizens in Israel, of whom around 9,000 are care-givers. Others are diamond traders, some IT professionals, students and unskilled workers.

Useful Resources:

Embassy of India, Israel website:

<http://www.indembassy.co.il/>

Embassy of India, Israel Facebook:

<https://www.facebook.com/IndiaInIsrael>

Embassy of India, Israel Twitter:

<https://twitter.com/indemtel>

Embassy of India, Israel Youtube:

<https://www.youtube.com/user/Indianembassytelaviv>

Embassy of India, Israel Flickr:

<https://www.flickr.com/photos/indembtelaviv/sets>

July 2015