

## India-Mexico Relations

India-Mexico relations have consistently been friendly, warm and cordial, characterised by mutual understanding and growing bilateral trade and all-round cooperation. Antipodes as they are on the globe, they have striking similarities and commonalities - of geography, history, physiognomy, culture and civilisation, even of attitudes, mindsets and values of the people. Both countries are large emerging economies, with similar socio-economic development priorities and constraints, and have democratic, secular, and pluralistic systems, as well as convergent worldviews. Both are at somewhat comparable levels of economic and technological development, and are members of the important G-20, even if Mexico graduated from G-77 to joining OECD in 1994, and also joined NAFTA in 1995. Mexico was the first Latin American country to recognise India after her independence, and both established diplomatic relations in 1950. Mexican wheat variety Sonora was instrumental in India's Green Revolution. Mexicans in general have high interest and regard for Indian culture, political resilience, social values, and particular admiration for India's economic, education, scientific and technological achievements of the recent years. Indian heroes like Gandhi, Nehru, Tagore, and Mother Teresa are widely held in high esteem. The writings of Nobel-Laureate and Indophile Octavio Paz, Mexico's envoy to India in the sixties, with his long years in India, significantly impacted Mexico's view of India.

**Political:** Impelled by their commonalities, convergence of worldviews, and an issues-free relationship, India and Mexico have collaborated together closely on most major global issues, such as nuclear disarmament, climate change, trade, and global economic architecture. They elevated their ties to 'Privileged Partnership' during President Calderon's state visit to India in 2007. The two countries have exchanged as many as 10 visits at the level of Head of State or Government, the last being President Pratibha Patil's in 2008. Recent high-level visits include Mexico's Foreign Minister and Environment and Tourism Ministers to India, and from India the Lok Sabha Speaker, and Ministers of Petroleum & N.G., and of Agriculture. Their regular and high-level bilateral interactive mechanisms include a Joint Commission (now at the level of Foreign Ministers), a High Level Group on Trade, Investment and Economic Cooperation, Foreign Office Consultations, and an array of bilateral agreements including for investment promotion and protection, double taxation avoidance, extradition, air services, and for cooperation in several sectors.

**Economic and Commercial:** Bilateral trade is growing rapidly in recent years, at double-digit rates consistently, however yet well below its potential. It touched US\$2.95 b (Mexican figures) in 2008 - more or less balanced, before dipping in 2009 due to the global economic crisis. It has since regained the momentum, touching \$2.80 b in 2010, and climbing currently at 49%, to \$3.26 billion in the first ten months of 2011, The figure has the potential to reach \$10 b by about 2015, with suitable promotion measures from both sides, including for direct shipping, banking and aviation, and a Free Trade Agreement. Mexico's imports from India are growing at over 40% since 2010, with a well-diversified basket, comprising, inter alia, chemicals & petrochemicals, engineering goods, automobiles & auto parts, pharmaceuticals, diamonds, textiles & garments, and gasoline. Crude oil is the major Mexican export to India, besides fertilizers, iron & steel, and engineering goods. The areas assessed to have maximum growth potential are mining and tourism (projects in Mexico), food processing and infrastructure (projects in India),

automobiles & auto parts, textiles & garments, software and IT, pharmaceuticals, engineering, renewable energy, and biotechnology. Indian investments in Mexico are estimated at several hundred million dollars, and Mexico too is now in a catching-up phase. Most major Indian IT companies, several pharmaceutical companies, and engineering companies in tyres, packaging, and electrical equipment have a growing Indian presence in Mexico, whereas Mexican investments in India are in multiplexes, housing & infrastructure, auto parts, cement, and food processing. (Arcelor Mittal made one of its early major takeovers in Mexico). Besides Mexico's own sizable market and investment-friendly policies, it is eminently placed offering the strategic advantage of the world's largest NAFTA market, already drawing large FDIs from USA and elsewhere. Indian cinema Bollywood's estimated immense potential for Mexico and Latin America yet remains to be explored. An India-Mexico Business Chamber is functional in Mexico since 2006 extending valuable assistance to promoting mutual trade and investments. Apex chambers from both sides have several cooperation MOUs, and Indian business delegations regularly participate in several major trade fairs in Mexico.

**Cultural:** An inordinate interest among Mexicans in Indian culture, arts, dances, music, and yoga catalysed in 2010 the opening of the Gurudev Tagore Indian Cultural Centre in Mexico City. It is already gaining rapidly in popularity with demand for activities and courses in new areas like Bollywood dancing, Indian languages and cuisine, and Ayurveda, etc. Both countries maintain a very active calendar of cultural activities and programmes in each other. Indian cultural troupes regularly visit Mexico and participate in her major cultural festivals. Four scholarships are offered to Mexicans annually, besides 15 ITEC training slots. The highly reputed Mexican institute 'El Colegio de Mexico' has an important centre of Indian studies, where ICCR established in 2010 an 'Octavio Paz Chair of Indian Studies'.

More and more Mexicans are travelling to India, for both business and pleasure; the number of visas issued annually by the Embassy in Mexico increased between 2006 and 2011 by over 60%, to over 7,500 and over 25,000 Indian tourists visited Mexico in 2011.

**Indian Community:** The Indian community - both PIOs & NRIs - in Mexico is very small, no more than 2,000, with about half of them in Mexico City, and the rest spread around in major cities like Guadalajara, Monterrey, Cuernavaca, Cancun, and Queretaro. The community is diversified vocationally, comprising business executives, academics and scientists, and business people, among others. An Indian Women's Association in Mexico, established in 2005, plays a useful role in welding the Indian community together with cultural, social, and philanthropic activities. Mexico City has a Gurudwara and an ISKCON temple, besides two Indian restaurants.

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## **Major Bilateral Agreements**

- Cultural Agreement (1975)
- Agreement for Cooperation in Science & Technology (1975)
- Cultural Exchange Programme (2005)
- Educational Exchange Programme (2005)
- Agreement on Visa Exemption on Diplomatic & Official Passports(2005)
- Memorandum of Understanding on Cooperation in SMEs (2006)
- Extradition Treaty (2007)
- Mutual Legal Assistance Treaty in Criminal Matters (2007)
- Double Taxation Avoidance Agreement (2007)
- Bilateral Investment Promotion and Protection Agreement (2007)
- Air Services Agreement (2008)
- MOU on Cooperation in the Field of New and Renewable Energy (2008)

## **Head of State and Government Level Visits from India**

- Prime Minister Jawaharlal Nehru (1961)
- Prime Minister Indira Gandhi (1981)
- President Zail Singh (1984)
- Prime Minister Rajiv Gandhi (1986)
- President Pratibha Devisingh Patil (2008)

## **Other Recent Important Visits from India**

- M.A.A. Fatmi, MOS for Human Resource Development (February 2006)
- Mahabir Prasad, Minister for Small Scale Industries & Agro and Rural Industries (March 2006)
- Kapil Sibal, Minister for S&T and Ocean Development (June 2006)
- Anand Sharma, MOS for External Affairs (December 2006)
- Selja, Minister for Housing & Urban Development (October 2007)
- Anbumani Ramadoss (August 2008)
- Mani Shankar Aiyar, Minister for Panchayati Raj and Development of the North Eastern Region (November 2008)
- Murli Deora, Minister for Petroleum & Natural Gas (March 2010)
- Sharad Pawar, Minister of Agriculture, Consumer Affairs, Food and Public Distribution (September 2010)
- Meira Kumar, Speaker, Lok Sabha (April 2011)

## **Head of State and Government Level Visits from Mexico**

- President Adolfo Lopez Mateos (1962)
- President Luis Echeverria Álvarez (1975)
- President Jose Lopez Portillo (1981)
- President Miguel de la Madrid Hurtado (1985)
- President Felipe de Jesús Calderón Hinojosa (2007)

## **Other Recent Important visits from Mexico**

- Jorge Castañeda, Foreign Minister (November 2002)
- Luis Ernesto Derbez, Foreign Minister (August 2004)
- Eduardo Sojo Garza-Aldape, Economy Minister (May 2007)

- Patricia Espinosa Cantellano, Foreign Minister (August 2010)
- Gloria Guevara, Tourism Minister (August 2010)
- Juan Rafael Elvira Quesada, Environment Minister (February 2011)