

EMBASSY OF INDIA STOCKHOLM

India-Sweden Relations

Diplomatic ties between India and Sweden were established in 1949. The two countries enjoy cordial relationship and excellent cooperation in regional and international fora. Sweden supports India's membership of the expanded United Nations Security Council (UNSC). Sweden supported India in its membership of the Missile Technology Control Regime (MTCR) and has extended full support in India's bid for its pending membership of the Nuclear Suppliers Group (NSG). The two countries have been supporting each other on reciprocity for their non-permanent memberships in the UNSC and various positions in different organs of the UN and other multilateral fora. Mutual economic interests have emerged as the driving force in the relationship.

Political Relations

High level contact between the two countries goes back to 1957 when Prime Minister Jawaharlal Nehru visited Sweden. Prime Minister Indira Gandhi visited Sweden for attending the United Nations Conference on the Human Environment in Stockholm in 1972. Prime Minister Rajiv Gandhi visited Sweden in March 1986 and January 1988. The first-ever State Visit by the President of India, Shri Pranab Mukherjee, was in 2015. This was followed by the visit of Swedish Prime Minister Stefan Löfven to India in 2016.

The landmark State Visit of the President of India in 2015 has taken the relationship to new heights. He was accompanied by Shri Hansraj Gangaram Ahir, Minister of State for Chemicals and Fertilizers; Shri Ghulam Nabi Azad, MP, Rajya Sabha; Shri Ashwani Kumar, MP, Lok Sabha; senior Government officials; several Vice Chancellors and Directors of leading Indian Universities; and over 60 business leaders from India.

The momentum which the Presidential visit imparted to India-Sweden relations was maintained by the visit of Swedish Prime Minister Stefan Löfven to India in February 2016 for the 'Make in India Week' in Mumbai. He was accompanied by one of the largest Swedish high level official and business delegation. He met Prime Minister Narendra Modi on 13 February. The Joint Statement issued after the meeting laid down the vision for all round future cooperation. The statement identified defence, infrastructure, urban development, education, S&T, environment, health and space as key sectors for strengthening bilateral partnership. The two Prime Ministers endorsed the creation of an India-Sweden Business Leader Round Table, comprising top business leaders from both countries, to facilitate two-way trade and investments. A Memorandum of Understanding for cooperation in Railways was signed on 15 February 2016.

Earlier VVIP visits from Sweden included a State visit by His Majesty King Carl XVI Gustaf and Queen Silvia of Sweden in 1993. Thereafter, the King led a Technology Mission to India in November 2005. Prime Minister Göran Persson paid a working visit to India in January 2004 and Prime Minister Fredrik Reinfeldt visited India for the India-EU Summit and bilateral talks in November 2009.

The most recent Ministerial visit from India was that of Minister of Road Transport, Highways and Shipping Mr. Nitin Gadkari, who visited Sweden from 14-17 June 2017. The Minister held a bilateral meeting with the Swedish Minister of Infrastructure on cooperation in infrastructural development in the road transport, highways and shipping sectors in India. The Minister gave a keynote speech at the Vision Zero Conference, organized in Stockholm on 14-15 June 2017 by the Swedish Ministry of Enterprise and

Innovation, Swedish Transport Administration and Swedish Transport Agency, with a focus on best practices, innovation and future challenges to provide new impetus to the promotion of road transport safety at the strategic level.

The Minister of State for Parliamentary Affairs and Agriculture and Farmers Welfare, Shri Surenderjeet Singh Ahluwalia, who led a 10-member Parliamentary Delegation to Sweden from 28-31 May 2017 to promote and strengthen parliamentary relations between the two countries. The Delegation, among others, met Swedish Minister of Policy Coordination and Energy Ibrahim Baylan, Speaker of the Riksdag (Parliament) Urban Ahlin, Foreign Minister Margot Wallström, Chairman of India-Sweden Parliamentary Association Asa Coenraads, Chairman of Foreign Affairs Committee of the Swedish Parliament Kenneth G. Forslund, and several other Swedish Parliamentarians.

The most recent Ministerial visit from Sweden was by Minister of Foreign Trade and EU Affairs Ann Linde when she visited India for the 18th Session of the Indo-Swedish Joint Commission for Economic, Industrial and Scientific Cooperation, which was held in New Delhi on 17 May 2017.

There has been a regular exchange of high level visits in the last few years. From India, Minister of State for Power, Coal, Mines, and New & Renewable Energy, Shri Piyush Goyal, visited Sweden from 1-3 November 2016. Minister of Communication and Information Technology, Shri Ravi Shankar Prasad, visited Sweden from 15-18 May 2016. Chief of Air Staff and the Chairman of Chiefs of Staff Committee Air Chief Marshal Arup Raha paid a goodwill visit to Sweden from 7-11 June 2016. Minister for Women & Child Development Maneka Gandhi visited Stockholm in May 2015. There were many important visits from states including delegations led by Chief Minister of Maharashtra Devendra Fadnavis in April 2015; Governor of RBI Dr. Raghuram Rajan in June 2015; Comptroller and Auditor General of India Shashi Kant Sharma in September 2015; Minister of Health, Home, Power, PWD and Industries of Delhi Satyendar Kumar Jain in October 2015; Chief Secretary of Telangana Dr. Rajiv Sharma in October 2015; Uttar Pradesh Government MOS for Transport Yasar Shah in August 2016; Secretary from the Ministry of Drinking Water and Sanitation Parameswaranlyer in August 2016; Secretary from the Ministry of Science and Technology Dr. Vijay Raghavan in August 2016; and Additional Secretary N. Sivasailam from DoT in October 2016.

From Sweden, Justice and Migration Minister Morgan Johansson visited India from 12-14 May 2016. Swedish Policy Coordination and Energy Minister Ibrahim Baylan led a business delegation to India from 4-8 October 2016. Minister of Enterprise and Innovation Michael Damberg led a high-level business delegation to India for the first India-Sweden Business Leaders Round Table that took place on 9 November. Minister for Upper Secondary and Adult Education and Training Anna Ekström visited India for the 8th edition of the Vibrant Gujarat Global Summit from 10-13 January 2017 and also met Prime Minister Narendra Modi; Minister for Urban Development, Housing and Urban Poverty Alleviation and Information & Broadcasting Venkaiah Naidu; and MoS for Skill Development and Entrepreneurship Rajiv Pratap Rudy. Defence Minister Peter Hultqvist visited India in June 2015. State Secretary in Swedish Prime Minister's Office Hans Dahlgren visited India in October 2015 for the first round of the revived Strategic Dialogue with India's National Security Adviser. Minister of Housing, Urban Development and Information Technology Mehmet Kaplan visited India from 13-18 October 2015. A six-member delegation from the India Friendship Group in Swedish Parliament visited India in September 2013.

Several other important high-level contacts helped cement bilateral ties. Prime Minister Narendra Modi and Swedish Prime Minister Stefan Löfven met in New York on 25 September 2015 on the sidelines of the UN General Assembly. Minister of State for

External Affairs General (Dr) V.K. Singh (Retd) met Swedish Foreign Minister Margot Wallström in Luxembourg in November 2015 on the sidelines of ASEM Foreign Ministers Meeting.

A number of bilateral Institutional Dialogue Mechanisms and Agreements are in place to foster cooperation in different areas. These include Avoidance of Double Taxation Agreement, Bilateral Protection Agreement, MOUs for Cooperation in the field of Healthcare and Public Health, Defence, Environment, Science and Technology, Health, and Renewable Energy. Regular meetings are held to review and foster cooperation in these areas. During the Presidential visit in 2015, six intergovernmental Agreements/MOUs were signed, which pertained to Sustainable Urban Development; Micro, Small and Medium Enterprises; Visa Exemption for Diplomatic Passports; Polar and Ocean Research; Ageing and Health; and Pharmaceutical products; in addition to another fifteen agreements signed between educational institutions of the two countries.

The leading institutional mechanism of inter-Governmental dialogue between India and Sweden is the Indo-Swedish Joint Commission for Economic, Industrial and Scientific Cooperation at the level of the Ministers of Commerce and Industry in India and the Swedish Minister of Foreign Trade and EU Affairs. The last 18th Session was held in New Delhi on 17 May 2017. An MoU for Defence Cooperation was signed in 2009, under which a Joint Working Group was established. The last meeting of the JWG on Defence was held in New Delhi in September 2015. The first India-Sweden Joint Working Group meeting under the MoU on Sustainable Urban Development was held in New Delhi from 14-17 October 2015. There is a mechanism for regular dialogue between the two Foreign Ministries through Foreign Office Consultations. The fifth round was held in Stockholm on 26 April 2013. The sixth round was held in Stockholm on June 29, 2017 for which Secretary (West) visited Sweden. The India-Sweden Business Leaders Round Table (ISBLRT), created in February 2016 with CII and Sweden-India Business Council (SIBC) as its coordinating agencies, held its first meeting in New Delhi on 9 November 2016. During the first ISBLRT, four themes were discussed: Smart Cities, Digitization, Defence & Security – Make in India, and Skill Development. It identified some challenges in doing business in the two countries and devised joint initiatives, such as setting up of incubators, joint working groups and advisory councils to contribute towards creating an ideal financial ecosystem and simplified policies and procedures to facilitate bilateral trade and investments, more especially the enhanced Swedish investments in India. The next round of ISBLRT is scheduled to be held in Stockholm on 11 October 2017.

Economic and Commercial relations

During the visit of the President of India to Sweden in 2015, both sides had agreed to reach the ambitious total trade target of US \$5 billion by 2018. Though the bilateral trade fell to US \$1.9 billion in 2016-17, as compared to about US \$2.17 billion in 2015-16, Swedish investments and other economic activities in India were on the rise. According to available statistics, the main items of Indian exports to Sweden were articles of apparel, clothing accessories; textile yarn, fabrics, made-ups; manufactures of metals; road vehicles; general industrial machinery and equipment; miscellaneous manufactured articles; organic chemicals; power generating machinery and equipment; telecommunications and sound-recording and reproducing apparatus and equipment; and travel goods, handbags and similar containers. The main items of Indian imports from Sweden were pulp and waste paper; road vehicles; paper and paper board, articles thereof; general industrial machinery and equipment; iron and steel; machinery for particular industry; electrical machines, apparatus and appliances; miscellaneous manufactured articles; and power generating machinery and equipment. The major items of trade between the two countries remained unchanged.

The trade figures for the last few years are tabulated below:

Year		2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
India's Exports to Sweden		825.00	686.10	733.40	740.50	683.62	710.00
India's Imports from Sweden		1992.00	1681.40	1679.50	1748.00	1484.89	1160.00
Total		2817.00	2367.50	2412.90	2488.50	2168.51	1870.00

Source: Department of Commerce, India. Figures are in million US dollars and year refer to financial year from April to March

Many of the major Swedish companies – such as Ericsson, Swedish Match (WIMCO), SKF and ASEA (later to become ABB) – entered India even before it became independent. Since then numerous other Swedish companies – like Atlas Copco, Sandvik, Alfa Laval, Volvo, Astra Zeneca and SAAB – have invested in India. Other leading Swedish MNCs – namely, transport solution provider Scania, the hygiene and forest products company SCA and retail giants IKEA and H&M – are among the more recent entrants. Indian companies have also begun to invest in Sweden.

There is significant potential for enhancing bilateral collaboration in key areas like green technologies, renewable energy, smart infrastructure, healthcare and defence. At present, there are over 185 Swedish joint venture wholly owned subsidiaries in India. According to the statistics of the DIPP, FDI inflow into India from Sweden for the period April 2000 to December 2016 was US \$1.3 billion, making it the 19th largest investor, accounting for 0.39% of total FDI inflows in the country. The low official figures as compared to actual investments are for the reason that the DIPP online data, available only from the year 2000-onwards, do not reflect the prior Swedish investments in India. The existing Swedish MNCs are now expanding not only in manufacturing but also increasingly on offshore IT operations and R&D in India. They are growing in numbers. This part of investments by existing Swedish companies is apparently not included either.

Sectors that have received the largest shares of Swedish investments in India are Automobile Industry with US \$362.20 million (33%), Industrial Machinery with US \$162.09 million (15%), Miscellaneous Mechanical & Engineering Industries with US \$115.67 million (10%), Electrical Equipment with US \$80.99 million (7%) and Metallurgical Industries with US \$55.02 million (5%). The top FDI equity inflows, during the period from April 2000 to December 2016, have come from the following Swedish companies – Volvo; ABB; Atlas Copco, Ericsson; Alfa Laval; SAAB; Autoliv; Sapa (Aluminium solutions), Astra Pharmaceuticals; Electrolux; Quinn Hotels Sweden; Scania; Perstorp; H&M; IKEA; Recipharm; and Securitas.

Sweden is a big market for Indian IT engineers. Many Indian IT companies have opened representative offices in Sweden. Indian Pharma and Biotech companies are also present. Aditya Birla Group, Wipro and Bharat Forge are among the other major Indian investors in Sweden. According to rough estimates, the cumulative Indian investment in Sweden is in the range of US \$700-800 million. Trade in services is large and growing, especially in areas of IT, business services, travel and transportation. According to the International Trade Centre figures, in 2015, Indian service exports to Sweden were US \$797 million and Swedish service exports to India stood at US \$598 million. With growing technological advances in IT sector, Swedish demand for Indian IT professionals will naturally grow.

Cultural and Educational Relations

Indian music, dance, art, literature, films and cuisine are widely appreciated in Sweden. In the absence of a Cultural Exchange Agreement between the two countries, cultural ties are promoted mainly by local associations and by the Embassy with the support of the Indian Council of Cultural Relations.

The establishment of Chairs on India Studies from time to time at major Swedish Universities – Lund (now discontinued), Gothenburg and Uppsala – have given an impetus to the academic interest in India. Several Swedish universities have established links with Indian educational institutions and have regularly been sending students to India for different programmes. Many Indian students study in Swedish Universities. However, the number has declined after fees were introduced for non-EU foreign students in 2011.

A prominent annual cultural event, Namaste Stockholm Festival, was started by the Embassy of India in collaboration with the India Unlimited. The first Festival was held in 2015. Second Namaste Stockholm Festival was organized on 21 May 2016, which attracted more than ten thousand visitors. The event includes day-long festivities involving Yoga, Indian cultural performances, cuisine, crafts and choice of travel destination that India offers. This year, India's Independence Day celebrations became part of a larger Stockholm Cultural Festival of which India was a central theme, a first for a non-European country. Independence Day celebrations were followed by Namaste Stockholm, a day-long Indian cultural event, to mark India@70. The India theme at the Stockholm Cultural Festival featured a feast of performing arts events (including maestro Zakir Hussain, Bharatanatyam artist Geeta Chandran, Kathak artist ShivaniSethia, Bollywood Musical, Barmer Boys, etc.) and an Indian Street Bazaar with celebrated craftsmen and weavers with the support from the Indian Council of Cultural Relations, Ministry of Culture, HHEC & several Indian associations in Sweden.

An annual Sweden Indian Nobel Memorial Week is held every year in India under which a number of events are held. In 2016, it was held under the theme of 'Sweden Makes in India' from 1-7 October. Swedish Minister for Policy Coordination and Energy Ibrahim Baylan visited India to participate in the Week.

In 2013, Embassy of India, along with several partners, created an 'India Unlimited' platform to promote India-Sweden cultural and economic ties through series of events which are held annually highlighting current and future partnerships between the two countries and showcasing Indian culture, cuisine, business opportunities, science and innovation among others and to provide an interactive platform for stakeholders from both the countries. In 2016 the topics and themes of events held were: Energy Collaboration – Smart Grid Pilot Projects; Reimagining India 2030; Defence & Security; Gender & Diversity; Smart Cities; Smart Manufacturing & Industrial Corridors; Life Science & Innovation; Sustainable Textiles; Digital India & Innovation; and Indian Consumer.

Indian Community

As per latest statistics, there are about 21,800 members of Indian Diaspora in Sweden. This includes about 13,100 Indian passport holders and about 9347 foreigners of Indian origin. Most of them are skilled professionals in IT companies, professors, research scholars in universities and other institutes.

India has begun to dominate work migration into Sweden from outside EU. Till May 2017, 16471 work permits were granted to Indians. The number of Indians coming to Sweden for business and leisure has also gone up significantly in recent years. The

growth is expected to continue, now with the establishment of direct air-link between the two countries.

Useful resources:

- Mission's Website: www.indianembassy.se
- Facebook: <https://www.facebook.com/EmbassyofIndiaSweden>
- Twitter: <https://twitter.com/eoistockholm>
- YouTube: <https://www.youtube.com/user/eoistockholmsweden>
- Newsletter: <https://issuu.com/eoistockholm>
- Government offices of Sweden: <http://www.government.se>
- Swedish Ministry of Foreign Affairs:
<http://www.government.se/government-of-sweden/ministry-for-foreign-affairs>
- Swedish Statistics Agency: <http://www.scb.se/en>
- Sweden Abroad: <http://www.swedenabroad.com>
- Swedish Armed Forces: <http://www.forsvarsmakten.se/en/>
- Global India Episode on Sweden: <https://www.youtube.com/watch?v=b1fPppfAja8>