India-Brazil Relations

India Brazil relationship is extensive and comprehensive covering every important segment of interaction, seen at all three levels: bilateral, plurilateral in forum such as IBSA, BRICS, BASIC, G-20, G-4 and in the larger multilateral arena such as the UN, WTO, UNESCO, WIPO, etc. Bilateral relations between India and Brazil have acquired the dimension of a strategic partnership in the last decade under the leadership of former Brazilian President Luiz Inacio Lula da Silva. His successor President Dilma Rousseff's first ever visit to India in March 2012 provided greater commitment and content to this relationship. During the visit, she interacted with Prime Minister Manmohan Singh and held detailed discussions on bilateral, regional and multilateral issues including inter alia trade and commerce, science and technology, cultural exchange, UN reform, terrorism, WTO and climate change. The two leaders renewed their commitment to strengthen the India-Brazil Strategic Partnership. President Dilma Rousseff also met Prime Minister Manmohan Singh during the BRICS Summit in Durban in March 2013, Rio+20 Sustainable Development Summit in June 2012, BRICS Summit in China in April 2011, IBSA Summit in South Africa and during the G-20 Summit in Cannes in Nov 2011.

Historical Background:

Deep-rooted historical ties between India and Brazil can possibly be traced back to the Asian migration to South America, which contributed to the evolution of the indigenous people of Americas. Between the 16th-18th centuries, Brazil and Goa, both outposts of the Portuguese imperialist outreach, had bilateral exchanges, which found reflection in the flora and fauna, food and dress as well as folk traditions of Brazil. The interesting similarities between folk traditions of Boi Bumba in the north of Brazil and the Poikam Kudharai of South India, for instance, draw attention to the strong under currents of cultural and popular exchanges that have taken place in the centuries by-gone. The telecasting of tele-novella called ‘Caminho das Indias’ (Paths to India) made a great impact in enhancing the consciousness of India in the Brazilian public mind. India’s contribution to farming in Brazil is remarkable, though relatively a lesser known facet of our bilateral relationship. The bulk of Brazilian cattle livestock is of Indian origin. The ‘Ongole’ strain from Andhra Pradesh led to the production of the zebu variety known in Brazil as ‘Nelore’. Brazil still imports fresh embryos from India to rejuvenate its cattle breed. India opened its diplomatic mission in Rio de Janeiro on May 3, 1948, which later moved to Brasilia on August 1, 1971. The Indian Consulate General in Sao Paulo, the industrial and commercial hub of Brazil, was opened in 1996. The Brazilian Embassy has been functional in India since 1949 and has Consulate General in Mumbai.

Important Bilateral Visits:

Regular high level bilateral visits have provided a sustained impetus to the growing relationship. From the Indian side Vice President S. Radhakrishnan (1954), Prime Minister Indira Gandhi (1968), Prime Minister Narasimha Rao (1992 - for Earth Summit), President K.R. Narayan (1998), Prime Minister Dr. Manmohan Singh (2006, April 2010 and June 2012) and President Pratibha Patil (2008) have visited Brazil while President Fernando Henrique Cardoso (1996), President Lula (2004, 2007 & 2008) and President Dilma Rousseff (March 2012) reciprocated from the Brazilian side.
Recent Ministerial visits have been: Shri P. Chidambaram, Finance Minister (Nov 2008), Shri S.M. Krishna, Minister of External Affairs (August-September 2009), Smt. Preneet Kaur, Minister of State for External Affairs (May 2010), Shri Jairam Ramesh, Environment Minister (July 2010), Shri Jyotiraditya Scindia (September 2010, April 2011), Shri Sharad Pawar, Agriculture Minister (September 2010), Shri Anand Sharma, Commerce, Industry and Textile Minister (June 2012), Smt Jayanthi Natarajan, Minister of State for Environment and Forests (June 2012), Shri Beni Prasad Verma, Steel Minister (February 2013), Shri Ajay Maken, Minister of Housing and Urban Poverty Alleviation (February 2013) from India and those of Celso Amorim as Foreign Minister (April and July 2007 and again in September 2009 for Ministerial meeting in WTO-Doha Round and as Defence Minister in February 2012), Minister of Health, Jose Temporao (July, 2008), Minister of Industry and Foreign Trade Mr. Miguel Jorge (March and October 2008), Minister of Defence Nelson Jobin (March 2010), Minister of External Relations Antonio Patriota in March 2011 for IBSA Ministerial and bilateral meetings and in December 2011 for India-Brazil Joint Commission Meeting.

Sixth India- Brazil Joint Commission Meeting:

External Affairs Minister, Shri Salman Khurshid visited Brazil from October 14-17, 2013. He co-chaired the Sixth India- Brazil JCM with his counterpart Mr Luiz Alberto Figueiredo in Brasilia. During the JCM, both sides discussed the entire gamut of India-Brazil Strategic Partnership including Political, Economic and Commercial, Agriculture, Science and Technology, Defence, Cultural, Hydrocarbon, etc. They also exchanged views on regional developments and international issues of common interest. The Foreign Ministers of Brazil and India welcomed the signing of a protocol to the agreement for the avoidance of double taxation. Both sides expect to soon exchange the notes on the ratification of the bilateral Agreement on Mutual Assistance on Customs Matters, which will strengthen cooperation between customs authorities, in order to enforce customs laws and regulations. Such cooperation will contribute to the expansion of trade flows and will ensure the security of logistic chains. Agreement on the Transfer of Sentenced Persons, which will enhance prospects of a closer cooperation between Brazil and India in legal assistance matters, was also signed during the visit. The two sides also expressed satisfaction with the renewal of the Agreement on Cooperation between their respective diplomatic academies, the Foreign Service Institute and "Instituto Rio Branco", signed in 2007. Brazil expressed its interest in implementing the new program for the interchange of professors between the two diplomatic academies.

During the meeting, the two sides recalled that the coordination in multilateral fora and the ongoing cooperation in IBSA, BRICS, BASIC, G-4 and G-20 as an extremely important dimension of the Brazil-India Strategic Partnership. The two sides also discussed the need for further intensifying cooperation in the areas of Science and Technology such as Agricultural research, Space, and Nuclear Energy. They expressed confidence that the ongoing cooperation in the Agriculture sector would be further deepened through institutional linkages between ICAR and EMBRAPA. In the Defence sector, the third successful mounting of Indian airborne early warning system on the Brazilian Embraer was considered by the Ministers as an area of vast potential for joint collaboration. The Brazilian side has showed interest in seeking assistance of India in the applications of space technology such
as mapping of mineral resources, study of weather patterns and topographic changes. India also offered to assist Brazil in the development and launching of micro and mini satellites.

The agreed minutes of 6th Meeting of Brazil – India Joint Commission was signed by the two Foreign Ministers on 15th October, 2013 in Brasilia had 92 paras covering a wide range of issues such as Strategic partnership; Economic and Trade relations; Mining and Energy; Agriculture and Food Processing; Science & Technology; Environment and Sustainable Development; Technical Cooperation; Social and Health issues; Education; Culture; Tourism; Sports; Consular issues; and Regional and Multilateral issues. The details of agreed minutes are available at the MEA website and Brazilian Itamaraty site.

Seminar on "India-Brazil: a partnership for 21st Century": Embassy of India in Brasilia in association with the FUNAG, a public foundation associated with the Brazilian Foreign Ministry, organised a seminar on 3 October 2013 on the topic "India and Brazil: a partnership for the XXI Century" in Brasilia. The speakers discussed about the role of the two countries on the challenges and opportunities of global governance, strategic partnership and the evolution of the relationship between Brazil and India.

Visit of ISRO Scientists to Brazil: Three Scientists have been deputed by ISTRAC/ISRO to Brazil (Cuiaba & Alcantara) from October 2013 to December 2013 in connection with India’s Mars Orbiter Mission spacecraft tracking activities. ISTRAC/ ISRO had entered into an agreement with INPE, Brazil for providing Tracking services through their ground stations located in Cuiaba MT and Alcantara.

India-Brazil Bilateral Trade:

Brazil is one of the most important trading partners of India in the entire LAC (Latin America and Caribbean) region. India Brazil bilateral trade has increased substantially in the last two decades. However, India's total bilateral trade (in goods) with Brazil fell to 9.5 billion dollars in 2013 decreasing by 10.7% from 10.6 billion in 2012 (Trade in goods and services, though, surged to an estimated US$12 billion). Imports from Brazil to India that had grown sharply in 2012 from 3.2 billion USD to 5.6 billion USD fell back as sharply over in 2013 due mainly to reduction in crude oil exports of Brazil. Crude-Diesel forming a huge share in our bilateral trade, close to 50%, is bound to cause such drastic swings depending on performance of this sub sector in a particular year. Indian exports to Brazil that had seen in a dip in 2012 grew back again past the 6 billion USD mark mainly owing to rise in the diesel exports this year, result of continued robust domestic demand and decrease in its own production in 2013 in Brazil. Brazil's share in Indian export market was about 2.6% whereas Brazil's share in Indian imports is about 1.3%. Major portion of Indian exports to Brazil comprises of manufactured products, followed by commodities and then semi manufactured goods. Whereas, Brazil's exports to India are dominated by commodities, mainly crude oil. Diesel exports by Reliance itself account for more than 52% of India's exports to Brazil, up from the forty one percent of India's exports in 2012. Other top Indian products exported to Brazil are: Polyester Yarn, Chemical Products, Drugs and Cotton Yarn. Most of these products have registered growth in 2013. Top products imported by India from Brazil include crude oil (imported by Reliance, accounting for, in 2013, 51% of total Indian imports or US$1.6 billion);
sugar (imported by Renuka Sugar India from Renuka do Brazil, at US$ 435 million, accounting for almost 14% of total imports); soy oil imports (US$233 million) and copper (US$240 million). Like Petroleum, the top 5 Brazilian exports to India viz. sugar, Soybean oil crude, Sulphide copper ores and other Copper ores and concentrates, all showed a negative growth in 2013 over the year 2012.

India – Brazil bilateral trade 2008-2014 (US$ million)

<table>
<thead>
<tr>
<th></th>
<th>India’s Exports</th>
<th>India’s Imports</th>
<th>Balance of Trade for India</th>
<th>Total trade</th>
<th>Growth %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>3,564</td>
<td>1,102</td>
<td>2,461</td>
<td>4,666</td>
<td>49.23</td>
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<tr>
<td>2009</td>
<td>2,191</td>
<td>3,415</td>
<td>-1,224</td>
<td>5,605</td>
<td>20.12</td>
</tr>
<tr>
<td>2010</td>
<td>4,242</td>
<td>3,492</td>
<td>750</td>
<td>7,734</td>
<td>37.97</td>
</tr>
<tr>
<td>2011</td>
<td>6,081</td>
<td>3,201</td>
<td>2,880</td>
<td>9,282</td>
<td>20.00</td>
</tr>
<tr>
<td>2012</td>
<td>5,043</td>
<td>5,577</td>
<td>-544</td>
<td>10,620</td>
<td>14.41</td>
</tr>
<tr>
<td>2013</td>
<td>6,357</td>
<td>3,130</td>
<td>3,227</td>
<td>9,487</td>
<td>-10.67</td>
</tr>
<tr>
<td>2014 (Jan-Apr)</td>
<td>2,260</td>
<td>1,141</td>
<td>1,119</td>
<td>3,401</td>
<td></td>
</tr>
</tbody>
</table>

Brazil’s Exports to India
Brazil’s Imports from India

India- Brazil Bilateral Two-way Investments:

There have been two way investments between India and Brazil. While the Brazilian companies have invested in automobiles, IT, mining, energy, biofuels, footwear sectors in India, the Indian companies have invested in such sectors as IT, Pharmaceutical, Energy, agri-business, mining, engineering/auto sectors. Indian companies such as TCS, Wipro, Infosys, Cadilla, Mahindra, L&T, Renuka Sugars, United Phosphorus, Polaris are present in Brazil. The Brazilian companies present in India include Marco Polo (automobiles), Vale (biggest mining company), Stefanini (IT), Gerdau (Steel). A separate note on investments and joint ventures is attached.

According to Reserve bank of India statistics, total foreign direct investments (FDI) by Indian companies in Brazil from July 2007 to December 2013 is US$ 103.25
million. The FDI during 2013 was US$ 37 million and included from Infosys (7), Pidilite (7), RSB (5), Fomento (3), Inox (1.5), Unichem (1.4) etc. The RBI figures only cover the overseas FDIs and miss to capture the real picture. What remain unaccounted for in RBI data are Indian investments made through holding companies abroad, through loans raised from financial institutions outside India, re-investments by their Brazilian subsidiaries etc. Further, many of the big ticket Indian investments are part of global acquisitions though with significant assets in Brazil. Total estimated investments by Indian companies in Brazil reach close to US$ 5 billion.

As per DIPP statistics dated October 2013 on FDI, cumulative equity inflows from Brazil into India during the period Apr 2000-Oct 2013 have been US$ 23 million representing 0.01 % of the total equity inflows of US$206 billion (this itself is part of the overall FDI inflows into India of US$ 306 billion which covers equity inflows, re-invested earnings and other capital).

India Brazil Trade Monitoring Mechanism and other Institutional arrangements:

India and Brazil have formed a bilateral Trade Monitoring Mechanism (TMM) for periodic consultations. The last meeting of TMM at the level of Commerce Secretaries of two sides took place in March 2012 in New Delhi. Next meeting would take place in Brazil at a mutually convenient time in coming months.

The second India Brazil Economic and Financial Dialogue was held on June 4, 2013 in New Delhi.

The first meeting of re-launched India-Brazil CEO Forum is yet to take place.

India-Mercosur (Current members: Brazil, Argentina, Uruguay and Venezuela) PTA which was signed in 2004 entered into force on 1st June 2009 under which 450 items from each side will have duty reductions of 10% to 100%. New tariff lines have also been proposed under the agreement. Efforts are underway to broaden and deepen the India-Mercosur PTA and to link it, under IBSA to SACU as well.

India-Brazil Chambers of Commerce, based in Sao Paulo and Belo Horizonte work in close cooperation with the Embassy/Consulate.

Cultural Exchanges:

There is enormous Brazilian interest in India’s culture, religion, performing arts and philosophy. The first forms of Indian Culture to reach Brazil were all somehow related to spirituality, philosophy and religion. Folkloric identities and celebrations from India could relate very much to the jolly and colorful nature of the festivities such as the typical dances and parades of north and northeast of Brazil. The first classical art to come to Brazil was Bharatanatyam dance, with Odissi, Kathak and Kuchipudi to follow later. Not only for their distinct character but also due to the exoticism of costumes, ankle bells and, head dresses, impacting make-up and angular postures are immensely appealing to Brazilian eyes. In classical music, Brazil has already a share of those who have learnt Sitar, Tabla and other instruments and not only play some of the original ragas and rhythms but go beyond to create fusion music in conjunction with Brazilian artistes. There are numerous
organizations teaching Yoga, all over Brazil. Ramakrishna Mission, ISKCON, Satya Sai Baba, Maharishi Maharshi Yogi, Bhakti Vedanta Foundation and other spiritual gurus and organizations have chapters in Brazil.

Mahatma Gandhi is highly regarded in Brazil and the government and NGOs are trying to circulate the philosophy of non-violence among students, youth and even police. Statues of Mahatma Gandhi have been installed in Rio de Janeiro, Sao Paulo and Londrina.

In recent years the cultural exchanges have taken place at increased frequency supported by two governments. The Brazilian cultural troupe had given splendid performances in India in 2008 and a large group of Indian artists gave several popular performances in Brazilian cities in May-June 2011. Flute Maestro Pt. Hari Prasad Chaurasia gave three performances in July 2012 in Brasilia, Belo Horizonte and Sao Paulo. The Indian Cultural Centre in Sao Paulo has regular programmes around Indian and Brazilian festivals. India Brazil Chamber of Belo Horizonte organized a Indian Festival week in cooperation with Indian Embassy in Brasilia during March 2014.

India cinema is also popular among Brazilian people. Indian Film weeks organized by Embassy and Consulate have always received good responses. We have organized Indian film weeks August-September 2013 celebrating ‘Hundred years of Indian Cinema’ in seven Brazilian cities. There have been some Indian movies released commercially in Brazil, like Road Side Romeo, an animation movie and Fanaa from Yash Raj Productions. Giselli Monteiro of Brazil got a break in Indian movie ‘Love Aaj Kal’ encouraging more and more Brazilian girls to try their talent in Bollywood.

Embassy of India in Brasilia in association with the Public Diplomacy Division of Ministry of External Affairs gifted books to the Indian Studies Program (PEIND) at University of the State of Rio de Janeiro (UERJ), which aims at contributing to academic integration between India and Brazil. The books were presented by Hon’ble External Affairs Minister of India, Shri Salman Khurshid. Similarly, Embassy gifted books to the Federal University of Paraiba during a Seminar organised on Indian Religion and Philosophy on 27-28 March 2014 in Joao Pessoa. Federal University of Minas Gerais had organized a seminar on Indian themes in February 2014.

**ITEC Programme:**

About 50 Brazilians have gone to India under ITEC programme for training in communications, management, defence and etc. in the last six years.

**Indian Community in Brazil:**

The Indian community of PIOs/NRIs in Brazil is small, numbering about 2000 persons. A majority of them lives in Sao Paulo, Rio de Janeiro and Manuas. The community mainly comprises of professionals and businessmen and some scientists/researchers in agriculture, physics, etc. There is Indian Association in Sao Paulo.
Visas/Air links/travel:

Under a bilateral agreement, diplomatic and official passport holders are exempted from visa for a stay of maximum of 90 days. There are no direct flights between India and Brazil. Convenient connections are however available via Europe (London, Frankfurt, Paris, Amsterdam), the US (New York and Chicago) and via Dubai.

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May 2014