India-Brazil Relations

India Brazil cooperation is extensive and comprehensive covering every important segments of interaction. This relationship can be seen at three levels: bilateral, plurilateral in forum such as IBSA, BRICS and G-20 and in the larger multilateral arena such as the UN, WTO, WIPO, etc.

Bilateral relations between India and Brazil have acquired the dimension of a strategic partnership in the last decade. Content came to be added to the hitherto cordiality under President Luiz Inacio Lula da Silva. His successor President Dilma Rousseff’s first ever visit to India in March 2012 has 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, UNSC reforms, terrorism, WTO and climate change. The two leaders renewed their commitment to strengthen the India-Brazil Strategic Partnership. The Joint Statement (attached) issued during President Rousseff’s visit on 30 March 2012 summarizes concisely the wide spectrum of areas of cooperation of our 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 November 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 and 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 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.

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.

**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 (June 2012),and Forests, 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.

**India- Brazil Bilateral Trade & Investments:**

Brazil is the most important trading partner of India in the entire LAC (Latin America and Caribbean) region. India and Brazil bilateral trade has increased substantially in the last two decades. However, the most impressive change is taking place now as the trade is becoming more diversified both geographically as well as qualitatively. In 2011 about two third of our bilateral trade of US$ 9.2 billion was oil products, whereas in 2012 this proportion has become less than half in our bilateral trade of US$ 10.6 billion. This trend is likely to continue as the product range of our bilateral trade gets diversified and moves up the value chain. Some of the impediments in achieving the potential of our bilateral trade relationship, such as geographical distance between India and Brazil and the language barrier have been addressed by globalisation of world trade and technological innovations in the field of communication technology and transportation.
India – Brazil bilateral trade 2008-2013 (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>
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<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>
</tr>
<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>37.97</td>
</tr>
<tr>
<td>2012</td>
<td>5,043</td>
<td>5,577</td>
<td>-544</td>
<td>10,620</td>
<td>20</td>
</tr>
<tr>
<td>2013 (Jan-April)</td>
<td>2,447</td>
<td>949</td>
<td>1,498</td>
<td>3,496</td>
<td>14.41</td>
</tr>
</tbody>
</table>

In 2012 Brazil exported about US$ 5.6 billion to India, 62% of which was crude oil and related products. Sugar, iron ore and soya oil were the other three commodities which form about 23% of the export basket of Brazil to India. One can say that only 15% of Brazilian exports to India were non-commodity and higher value-added products. It needs to be understood, however, that in absolute terms, this amounts to US$ 850 million which has doubled since 2007. Also Brazil exports would remain commodity driven because of its natural strength in these areas vis-à-vis other countries. Brazil’s strength in oil sector is further underscored by the discovery of pre-salt oil, Brazil’s iron ore company VALE is one of the world leaders and Brazilian agricultural research agency EMBRAPA has developed state of art agricultural research centres all across the country in last 40 years. It is natural to assume that these areas will show strength in Brazilian exports globally and India too. Brazilian engineering goods exports to India in 2012 stood at US$ 335 million. More than half of this amount was by EMBRAER (Brazilian commercial aircrafts manufacturing company). Brazilian agricultural and automotive machinery and accessories are also exported to India in increasingly larger quantities.

Indian exports to Brazil have increased from US$ 2.2 billion in 2007 to US$ 5 billion in 2012. Proportion of diesel oil and other value added petroleum products has decreased from 51% to 44% in these five years. There have been important increases both in proportions as well as in quantities in areas like organic chemicals, pharmaceuticals, engineering goods, auto ancillaries and electric machinery & equipments. Apart from these, India is one of the leaders from Asia in the exports of cotton yarn and fabrics, carpets and apparels & textiles.
India’s engineering goods exports have increased from US$ 187 million in 2007 to US$ 685 million in 2012. This increase has happened across the product categories within the sector as well as geographically among the different states of Brazil. While in 2007, most of these exports went to Southern Brazilian industrially advanced states of Sao Paulo, Rio Grande de Sul and Parana, in 2012 there is significant proportions of these high value added products destined to North Eastern State of Pernambuco and Ceara, mining hub state of Minas Gerais and even to the Western state of Amazonas. This clearly indicates the balanced economic development that is taking place in Brazil on the one hand and increasing business to business contacts between India and Brazil on the other.

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.

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. Action is also in hand to convene the first meeting of re-launched India-Brazil CEO Forum, modalities for which are being worked out.

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 Mahesh 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 year 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. Brazil-India Club (BrIC) created in 2012 has regular programmes at the Indian Cultural Centre in Sao Paulo around Indian and Brazilian festivals.

India cinema is also popular among Brazilian people. Indian Film weeks organized by Embassy and Consulate have always received good responses. We are organizing Indian film weeks in second half of 2013 celebrating ‘Hundred years of Indian Cinema’ in many 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.

ITEC Programme:

A few Brazilians have gone to India under ITEC programme for training in communications, management, defence and etc.

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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July 2013