

India-Sweden Relations

The ties between India and Sweden were established in 1949 and are founded on shared democratic values. High level contacts between the two countries go back to 1957 when Prime Minister Jawaharlal Nehru visited Sweden. The most recent Prime Ministerial visit was that of Prime Minister Fredrik Reinfeldt in November, 2009 for the India-EU Summit and bilateral talks. Since then a number of bilateral Ministerial visits have taken place focusing on specific areas of cooperation. Parliamentary contracts have gathered momentum, adding further substance to the relations between the two democracies.

2. In recent years, mutual economic interests have emerged as the driver of the relationship with steady growth in bilateral trade, which crossed US\$ 2 billion in 2009-10 and is poised to cross the US\$ 3 billion mark. Two-way investments are also expanding. There are complementarities in the areas of cutting edge technologies and joint research is emerging as an area with great potential for bilateral collaboration, particularly in the green technology sector.

Recent Ministerial Exchanges

3 A number of Ministerial visits have taken place in both directions in recent years. Since January 2011, the visitors from Sweden to India include: the Swedish Minister for Social Security, Mr. Ulf Kristersson (November 2012), the Swedish Minister for Enterprise, Ms. Annie Lööf (October 2012), the Swedish Minister of Environment, Ms. Lena Ek (October 2012), Secretary of State in the Ministry of Foreign Affairs, Mr. Frank Belfrage (March 2012), the Swedish Minister for Health and Social Affairs, Mr. Göran Hägglund (February 2012), the Swedish Foreign Minister, Mr. Carl Bildt visited India (October, 2011), the State Secretary of the Ministry of Health and Social Welfare, Ms. Karin Johansson (October 2011), the Swedish State Secretary for Finance, Mr. Hans Lindberg (April 2011) and Defence Minister, Mr. Sten Tolgfors (January 2011). Ministerial level visits from India to Sweden over the last two years include those of Mr. Sushil Kumar Shinde, Minister of Power (June 2011) and Mr. Kapil Sibal, Minister of Human Resource Development and for Communications & Information Technology (September 2011). The visit of Minister of New and Renewable Energy, Dr. Farooq Abdullah was scheduled in September 2012 but had to be postponed to 2013.

Recent Parliamentary Exchanges

4. The excellent relations between the two Governments have been strengthened by parliamentary exchanges. Several important Parliamentary delegations from Sweden have visited India including one led by the Speaker Per Westerberg in February 2008 to see at first hand the working of Indian democracy. The impressively long list of Swedish Parliamentary Committees which have visited India in recent includes the Defence Committee, the Constitutional Committee, the Cultural Committee, an All-Party Group to study the effects of Globalization, Committee on Industry and Trade, Committee on Finance, Committee on Labour and Committee on Foreign Affairs and most recently on Environment and Agriculture (February 2012) and on Defence (September 2012). From the Indian side, Hon'ble Speaker of the Lok Sabha, Mrs. Meira Kumar led a six-member multi-party Parliamentary Delegation to Sweden in June 2011. A group of 6 young MPs from different Indian political parties visited Sweden in June 2012 at the invitation of the Swedish Parliament.

5. The first-ever India Friendship Group was set up in Swedish Parliament in February 2006, with a membership of over 45 MPs drawn from parties across the political spectrum. Mr. Ulf Holm, Second Deputy Speaker of the Swedish Parliament is the current Chair of the Group. A Friendship Group has also been established in the Indian Parliament in December 2011.

Bilateral Institutional Dialogue Mechanisms and Agreements

6. The leading institutional mechanism of inter-Governmental dialogue between India and Sweden is the Joint Economic Commission (JEC) at the level of the Ministers of Commerce and Industry. The last round (16th) was held in New Delhi on October 31, 2012 chaired by India's Commerce, Industry & Textile Minister Mr. Anand Sharma and the Swedish Minister for Enterprise, Ms. Annie Lööf.

7. There is a mechanism for regular consultations between the two Foreign Ministries through Foreign Office Consultations: The last round was held in New Delhi in 2004 chaired by the State Secretary in the Ministry of Foreign Affairs Mr. Hans Dahlgren and Mrs. S.U. Tripathi, Secretary (West). The next round was scheduled to be held in October, 2012 in Stockholm but was postponed due to unavoidable reasons.

8. Consultations are held regularly between the two countries on strategic issues through meetings of the National Security Advisor of India and Foreign Minister Bildt and the State Secretary in the Prime Minister's Office.

9. Regular meetings and dialogue are also held in other important areas such as Science & Technology, Environment, Defence etc under the umbrella of relevant Agreements/Memoranda of Understandings (MoU) including :

- a) Avoidance of Double Taxation Agreement, notified in December 1997;
- b) Bilateral Investment Protection Agreement (BIPA) signed in July 2000;
- c) Science & Technology Agreement signed in December 2005;
- d) Indo-Swedish Joint Commission for Economic, Industrial, Technical and Scientific Cooperation;
- e) MoU on Air Services Agreement between India and the Scandinavian countries i.e., Sweden, Denmark and Norway signed in November 2006;
- f) MoU for cooperation in the field of Healthcare and Public Health signed in February 2009;
- g) MoU on Defence cooperation signed in November, 2009;
- h) MoU on cooperation on Environment signed in November, 2009;
- i) MoU in the field of Renewable Energy signed in April, 2010;
- j) Memorandum of Intent between Swedish Institute for Communicable Disease Control and the National Centre for Disease Control (NCDC), Ministry of Health and Family Welfare signed in May 2011;
- k) Social Security Agreement signed in November 2012 and
- l) Amending Protocol to Bilateral Avoidance of Double Taxation Agreement signed in February 2013.

Economic & Commercial Relations

10. Trade and investment are now becoming the principal drivers of the India-Sweden engagement. India is Sweden's 19th largest export market and third largest trade partner after China and Japan in Asia. The main Swedish exports to India are in the areas of pharmaceuticals, paper & pulp products, chemicals, engineering products and telecom equipment. The main items of Indian exports are chemical products, food products, and semi-manufactured and manufactured goods. Bilateral trade data in recent years is tabulated below:

Bilateral Trade since 2005

Figures in US \$ million and year refer to financial year i.e. April-March

Year	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	April- Sept 2012
India's Exports	326.39	387.70	544.19	566.69	476.73	615.68	825	333.21
India's Imports	1172.20	1932.46	2128.11	1952.50	1590.14	1619.38	1992.20	906.01
Total	1498.59	2320.16	2672.31	2519.18	2066.76	2235.07	2817.20	1239.22

Source: Directorate General of Foreign Trade, India,

11. A large number of Swedish MNCs have long had a presence in India. Their numbers are growing as Swedish companies look not only for manufacturing hubs but rely increasingly on offshore IT operations and R&D in India. Swedish Match had established its facility (WIMCO) as early as in 1926. Since then other Swedish companies like Ericsson, SKF, Atlas Copco, DeLaval, Volvo, ABB, Astra Zeneca, etc. have established and steadily expanded their footprint in India. At present there are over 170 Swedish joint ventures/wholly owned subsidiaries in India.

12. In the reverse direction, about 40 major/small Indian IT companies have their representative offices in Sweden and their cumulative exports are estimated at US \$ 600 million. Recent major Indian investments include the acquisition of the Swedish speciality pulp maker and bio refinery company Domsjo Fabriker by the Aditya Birla Group in April 2011 and the purchase of a Swedish telecom company Teligent by an Indian telecom company Altruist Technologies in July 2012.

13. A Swedish- India Business Council has been established (website: www.sibc.se) to enhance trade and investment cooperation. It has a membership of over 150 Swedish companies including SMEs.

Cooperation in health

14. Under the MoU on Health Care and Public Health signed in February 2009, the two sides agreed to pursue cooperation in a number of areas including mental health, and care of the elderly. An MOU on Cooperation between the Karolinska Institute and the Indian Council of Medical Research has been signed in June 2009. There is also good cooperation in the field of control of communicable diseases and antibiotics.

Science and Technology Cooperation

15. With India's large pool of skilled scientists and Sweden's strength in innovations, there is excellent potential for cooperation in the area of science and technology. Some of the areas being covered include: assessment of food quality; development of wireless sensor based experimental prototype, energy management and structural health monitoring.

Cooperation in Skill Development

16. There is tremendous potential for cooperation in training for upgrading Indian skills over a broad range of sectors - construction, mining, water, energy, environmental technology, urban development, etc. Recently, Saab India launched DEEP, a Diploma Employment

Enhancement Program for promoting skill formation of young Indians at the V.K.R & V.N.B Polytechnic College in Andhra Pradesh which aims to enhance the technical and soft skills of engineering students while still attending the college in a range of specially designed tracks relevant to the industry. The aim is to secure 100% placements for the students in the participating Indian companies and Swedish companies in India.

Cooperation in Environment

17. The area of environment holds tremendous potential for cooperation and under the Memorandum of Understanding (MoU) signed in November 2009 on Cooperation in the field of Environment, many areas of cooperation have been jointly identified on which collaboration has begun including sustainable urban development, integrated solid waste management, air and water quality management, clean production and technology, climate change including CDM and environmental health. The areas of future collaboration include application of cleaner technology and Zero discharge in Paper and Pulp Industry; joint work in e-waste management, Bio-medical Waste Management and waste to energy options; sewage treatment technologies; setting up Centres of Excellence in India and joint research on measuring and monitoring climate and air quality.

Cooperation in Renewable Energy

18. In pursuance of the Memorandum of Understanding on cooperation in Renewable Energy signed between the two countries in April 2010, cooperation has commenced in the areas of technologies and/or resources based on Solar Energy, Hydrogen/Fuel Cells, Geo-thermal, Small Hydro and Clean Energy. As part of the follow-up action of MoU, there have been exchange visits of experts between the two countries. The meetings of the Joint Working Group under the MoU have also been held.

Cultural & Educational interaction

19. 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 through support of the Indian Council of Cultural Relations to initiatives by the Embassy with the assistance of local associations. The establishment of Chairs on India Studies at three major Swedish Universities – Lund, Gothenburg and Uppsala - would give an impetus to the academic and popular interest in India.

20. Under the EU's Erasmus Mundus Scholarship and Academic Cooperation programme and other bilateral agreements, a number of Indian students have joined Universities in Sweden, in particular, Royal Institute of Technology in Stockholm (KTH), Lund University and Blekinge Institute of Technology (BIT).

Indian Community

21. By and large, members of the Indian community, both NRIs and PIOs, are in the academia or self-employed and engaged in running restaurants and in other trading activities. As per latest statistics, there are about 14,500 Persons of Indian Origin and about 4,000 Indian nationals living in Sweden.

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