



INDIA-SWEDEN STRATEGIC COMPASS

A BI-MONTHLY NEWSLETTER BY ISDP'S STOCKHOLM CENTER FOR SOUTH ASIAN AND INDO-PACIFIC AFFAIRS

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CURRENT AFFAIRS

India assumes G20 Presidency

India took over the G20 Presidency on 1 December for a one-year term from Indonesia. The theme for India's first ever G20 Presidency is 'One Earth, One Family, One Future' affirming the value of all life and their interconnectedness.

Speaking on the occasion, India's Prime Minister Modi said that the greatest challenges we face - climate change, terrorism, and pandemics - can be solved not by fighting each other, but only by acting together and that India's G20 agenda will be inclusive, ambitious, action-oriented, and decisive. He plans to work closely with the countries of the Global South to spotlight their voices that are often neglected in global discourse. He spoke of depoliticizing the global supply of food, fertilizers and medical products, so that geo-political tensions do not lead to humanitarian crises. India will work to bridge the digital divide between developing countries to boost substantial socio-economic transformation. A series of G20 meetings were held in different cities of India during December. The next G20 summit will be held in New Delhi in September 2023.

Source: BBC, December 1, 2022; Twitter, G20 India



Swedish Foreign Trade Minister in India

Johan Forssell, Swedish Foreign Trade Minister, led a high-profile official and business delegation to India on December 8-9. The delegation included DG Trade Per Arne Hjelmhorn and Swedish co-chair of Business Leaders Round Table, Marcus Wallenberg.



The meetings began with India's Minister of Communications, Electronics & IT and Railways, Ashwini Vaishnaw, discussing digitalization, 5G, and the India-EU Trade & Technology Council.



The next meeting with Piyush Goyal, India's Minister of Commerce & Industry, took place as part of the 20th session of India-Sweden Joint Commission for Economic, Industrial & Scientific Cooperation (JCEISC) in form of a business round table. The two ministers signed the Protocol for the 20th JCEISC, strengthening economic ties between India and Sweden.

Forssell stressed that Sweden will make the India-EU FTA deal a priority in its 2023 EU presidency, acting as "honest broker" between India and the Union. He concluded his trip with a meeting with India's G20 Sherpa, Amitabh

Kant, outlining priorities of Sweden's 2023 EU presidency and hearing about India's upcoming G20 presidency.

Source: *Financial Express*, December 8, 2022; *Hindustan Times*, December 9, 2022; *Twitter*, December 9, 2022

India and Sweden co-host Leadership Group on Industry Transition Summit

The Environment Ministers of India and Sweden Bhupender Yadav and Ms. Romina Pourmokhtari co-hosted the Leadership Group on Industry Transition (LeadIT) Summit on the sidelines of COP27 in Sharmal-Sheikh on 15 November. LeadIT has 37 members who include 16 countries and 19 companies. The Joint Statement issued on the occasion highlights 2030 as a critical milestone on the path to net-zero emissions. It notes that LeadIT members will promote partnerships along value chains to strengthen the business case for low-carbon products and their supply.



The statement calls on three LeadIT member countries – India, Japan and Sweden – to cooperate on industry transition as they preside over the G20, G7, and the Council of the European Union in 2023.

Source: industrytransition.org

Volvo inaugurates largest R&D Centre outside Sweden in Bengaluru

The Volvo Group inaugurated its Vehicle TechLab in Bengaluru on November 10. The TechLab will focus on product development across the different technology areas of trucks and drive innovation. Volvo is partnering with tech giants Meta and PTC for its virtual reality (VR) and extended reality (XR) solutions. The TechLab in Bengaluru

will collaborate with Volvo's other labs in Gothenburg, Sweden and Greensboro, US.

The Vehicle TechLab will have 1,600 engineers using technologies like virtual reality and 3D printing to facilitate collaboration between Volvo's engineers globally. In addition, the Techlab will process prototype demonstrations, testing, and crash test simulations. The establishment of the TechLab in Bengaluru shows that India plays a crucial role in Volvo's global research and development chain.

Source: *The Economic Times*, November 10, 2022

Roadshow for Uttar Pradesh Global Investor Summit in Stockholm

Promoting the upcoming Uttar Pradesh Global Investor Summit 2023, a Roadshow was held in Stockholm on December 14 to further business linkages between potential Swedish investors in the Northern Indian State. State Industry Minister Nand Gopal Gupta and State Public Works Development Minister Jitin Prasada were personally on site, alongwith senior officials, to invite Swedish businesses to the summit in 2023 and to establish the basis for a fruitful cooperation. Head of Business Sweden Jan Larsson and Secretary General of Sweden India Business Council Robin Sukhia also spoke on the occasion.

Source: *Outlook India*, December 22, 2022



India Sweden Joint Working Group on Health meets in Delhi

The 12th session of the India Sweden Joint Working Group on Health was held in New Delhi on 2 December. The 30-member Swedish delegation also comprised a number of Swedish companies. Cooperation in the fields of pharmaceuticals, pandemic management and digital health were discussed. Other areas such as elderly care, cancer treatment and infection control were also discussed.

India Sweden UN Consultations

The 2nd round of India Sweden UN Consultations Dialogue was held in New Delhi in November. Ambassador Carl Skau, Head of Department of UN Policy, Conflict and Humanitarian Affairs at Swedish Foreign Office and Prakash Gupta, Joint Secretary UN Political Division in Ministry of External Affairs of India led the discussions on a range of UN Multilateral, regional and global issues.

India and Sweden Joint Statement at UNGA Humanitarian Debate

The Indian delegation presented the annual India Sweden Joint Statement on Humanitarian affairs at the 77th United Nations General Assembly on “Strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including special economic assistance” on 6 December 2022 in New York. The two countries issue a joint statement on this issue every year.

Source: PMI, New York

INDIA-NORDIC

Ninth India-Norway Foreign Office Consultations

The 9th round of India-Norway Foreign Office consultations were held in Oslo on November 3. Future bilateral collaboration in sustainability, higher education, science and technology, and space were discussed during the consultations. Another key focus of the consultation was security issues, including within the EU, the ongoing Ukraine war, and the situation in the Indo-Pacific region. Notably, the need to reform the United Nation Security Council was raised in the meeting. Both sides expressed satisfaction at the current bilateral relation and cooperation.

Source: India News Network, November 4, 2022

INDIA-EU

4th India-France Annual Defense Dialogue in New Delhi

Multifaceted bilateral and regional cooperation in defense and related industries were discussed in the 4th India-France Annual Defense Dialogue. India and France

aim to strengthen maritime cooperation and bilateral exercises. Potential future collaboration and coproduction opportunities in defense industries were also discussed under a plan focusing on ‘Make-in-India’ production.

Source: India Today, November 29, 2022

Third round of FTA negotiations between India, EU

The third round of negotiations to finalize an India-EU trade pact were held in Delhi on November 28. These talks focus on a free trade agreement (FTA) that strengthens trade and investment between the two regions. Following the negotiations of June 2022, the bilateral talks focused on market access, digital trade, and intellectual property. The EU is India’s second largest trading partner after the U.S. and its bilateral trade with the Union rose by 43.5 percent to USD 116.36 billion in 2021-22.

Source: Business Standard, November 28, 2022

Mobility Partnership Pact signed between India and Germany

Germany’s Foreign Minister, Annalena Baerbock and India’s External Affairs Minister, S Jaishankar, signed a Mobility Partnership Pact on December 5 in New Delhi. This pact aims to strengthen bilateral relations regarding studying, research, and working. Jaishankar explained that the “signing of [a] mobility pact between India and Germany is a strong signal of basis for a more contemporary bilateral partnership.” Baerbock also expressed Germany’s willingness to deepen its security cooperation with India while supporting its energy transition goal.

Source: The Indian Express, December 5, 2022

India and Latvia hold Foreign Office Consultation

The 8th Round of Foreign Office Consultations between India and Latvia was held in New Delhi on 29 November. The two sides were led by Sanjay Verma, Secretary (West), Indian Ministry of External Affairs, and Andris Pelss, State Secretary in the Ministry of Foreign Affairs of Latvia. They discussed multifaceted bilateral relations, including politics, economy, commerce, and culture. Regional and international issues of the development in the Indo-Pacific region and the conflict in Ukraine were also discussed.

Source: Mint, November 29, 2022

India-EU Foreign Policy & Security Consultations in New Delhi

The 9th round of India-EU Foreign Policy & Security Consultations were held in New Delhi on November 22. The consultations confirmed how previous events, such as the 15th India-EU Summit held in July 2020 and the India-EU Leaders' Meeting in May 2021, successfully achieved the strengthening of bilateral relations. During the consultations, the ongoing India-EU trade and investment agreements as well as the need to enhance the India-EU Connectivity Partnership were discussed. Both sides are looking forward to both broadening and deepening bilateral relations.

Source: *New Delhi Times*, November 23, 2022

PROFILING INDIA

ISRO launches India-Bhutan developed PSLV-C54 Rocket

The Indian Space Research Organization (ISRO) successfully launched the Polar Satellite Launch Vehicle C54 on November 26. The satellite was jointly developed by India and Bhutan. Evidencing India's "neighborhood first" policy, Delhi has facilitated trainings for Bhutanese engineers regarding satellites and assists in developing Bhutan's domestic knowledge of advanced space technology.

Source: *The Hindustan Times*, November 26, 2022

India's Agrifoodtech Startups raise record USD 4.6 Billion in FY22

In 2022, India's agrifoodtech startups' fund has a 119 percent raise compared to the previous fiscal year, while downstream startups have a 115 percent raise that increased from USD 1.77 billion to USD 3.8 billion. India has become the largest funder for agrifoodtech in the region having dispersed a total of USD 3.3 billion in funds. Late-stage startups, focusing primarily on e-grocery and restaurant marketplace, account for businesses that have received the most funding. Notably, agribusiness became the most funded upstream category in India in the 2022 fiscal.

Source: *Fortune India*, December 1, 2022

INTERNATIONAL UPDATES

The 'No Money for Terror' Ministerial Conference held in New Delhi

The Third Annual 'No Money for Terror' Ministerial Conference focusing on Counter-Terrorism Financing was held in New Delhi on November 18-19. Speaking at the conference, India's Prime Minister Narendra Modi expressed his concern about the long-term impact of terrorism on both the economy and the poor. Due to technological advancements, it is increasingly more challenging to counter terror financing and recruitment. Thus, Modi emphasized the importance of including the private sector in the anti-terror system in accordance with cross-government virtual and physical cooperation.

Source: *MHA, GoI; Twitter*



India at UN Security Council

External Affairs Minister of India Dr. S Jaishankar chaired the UN Security Council Briefing on Global Counter-Terrorism Approach : Principles and Way Forward on 15 December in New York. India held the Presidency of the UN Security Council during the month of December. During his visit, Minister Jaishankar met UN Secretary General Antonio Guterres and President of 77th UN General Assembly Csaba Kőrösi. A bust of Mahatma Gandhi was also unveiled at the UN Head Quarters.

Source: *Twitter; ANI*

Australia-India Economic Cooperation and Trade Agreement (ECTA) takes effect on Dec 29

Strengthening its economic ties with India, the Australian government has agreed on a free trade agreement that will come into force at the end of December 2022. The agreement will provide Australian businesses and



consumers new market access opportunities and will include duty-free access to Indian exporters in over 6,000 broad sectors including textiles, leather, furniture, jewelry, and machinery. The ECTA is another step towards a closer partnership between India and Australia and will form the foundation on which a Comprehensive Economic Cooperation Agreement will be built on next year.

Source: *The Economic Times*, November 30, 2022

India and GCC explore Free Trade Agreement

The Secretary General of the Gulf Cooperation Council (GCC) and India's Minister of Commerce and Industry announced at a joint press conference on November 25 that there will be negotiations on an India-GCC FTA. The bilateral agreement will include substantial coverage of goods and services and shall be mutually beneficial creating new jobs, raising living standards, and providing wider social and economic opportunities in India and all the GCC countries. The agreement would be the logical continuation of an already strong economic partnership, as GCC countries contribute to almost 35 percent of India's oil imports and 70 percent of its gas imports.

Source: *Ministry of Commerce & Industry*, November 25, 2022

India overtakes China in EIU global business environment rankings

The Economist Intelligence Unit's (EIU) global business environment ranking considers the quality and attractiveness of investment conditions in specific countries. In its 2022 ranking, India takes 52nd place leaving China behind in 55th place. The EIU analysts see better transport, taxes, and trade regulations in India, making it a considerable alternative for businesses looking to diversify away from China.

Source: *Twitter*, December 9, 2022

International Lusophone Festival – Stronger engagement with Portuguese-speaking countries

An International Lusophone Festival was hosted by India's Ministry of External Affairs (MEA) in partnership with the Indian Council of Cultural Relations (ICCR) and the Government of state of Goa from December 3-6 in Goa. With this festival, India deepened its relations with Portuguese-speaking countries, a geopolitical grouping that represents the most widely spoken

language in the Southern Hemisphere. With more than 265-million speakers worldwide, there is a huge potential of economic and trade cooperation between India and the Community of Portuguese Language Countries (CPLP).

Source: *The Indian Express*, December 3, 2022

FLASHPOINTS

Memorandums of Understanding (MoUs) and Agreements

Economic Cooperation and Trade Agreement (ECTA) between India and **Australia** passed by the Australian Parliament and will come into force from December 29 (December)

Agreement for cooperation between India's Ministry of Electronics and IT, and the **European Commission** in the field of high-performance computing (HPC), weather extremes and climate modeling and quantum technologies (November)

MoU between National Investment and Infrastructure Fund India (NIIFL) and Japan Bank for International Cooperation (JBIC) to promote investments from **Japan** in India (November)

Migration and Mobility Agreement between **Germany** and India to improve mobility for students, trainees, and professionals and prevent irregular migration (December)

MoU between India and **Finland** on an enhanced cooperation in digital partnership in future information and communications technology, future mobile technologies and digital education (November)

EDITOR'S NOTE

As the year draws to a close, bilateral relations between India and the European Union (EU), and especially India and Sweden, are intensifying. The main focus continues to be cooperation in the field of green energy and sustainability. The India visit of Swedish Foreign Trade Minister, Johan Forssell, marked an encouraging high point in the economic partnership between the two countries. Several strong signals were sent out, aimed at close cooperation in all areas of economy, industry, and science. This fruitful relationship is particularly important in view of Sweden's upcoming EU presidency in 2023. Favorable diplomatic relations with Sweden will be the cornerstone for accelerated action on the proposed India-EU Free Trade Agreement.

Aside from the ongoing India-EU FTA negotiations, India is also strengthening ties with several European countries with bilateral agreements and MoUs. In addition to economic cooperation, security issues are increasingly at the forefront of bilateral relations. In this respect, India is orienting itself towards strong democratic partners in Europe and the Pacific. Successful cooperation in the fields of military and defense with some of the mainstream EU countries underlines India's ambition to remain an important democratic partner in the Indo-Pacific. With

the 2023 G20 Presidency, India is both domestically and externally well equipped to assume a more prominent role in geopolitics. In uncertain times of war and climate change, this is a promising time for an EU-India partnership, and in particular, between Sweden and India.

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Disclaimer: The views expressed here are as published in the original sources and not of the ISDP or the SCSA-IPA.

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ABOUT ISDP

The Institute for Security and Development Policy is a Stockholm-based independent and non-profit research and policy institute. The Institute is dedicated to expanding understanding of international affairs, particularly the interrelationship between the issue areas of conflict, security and development. The Institute's primary areas of geographic focus are Asia and Europe's neighborhood.

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