

INDIA-SWEDEN STRATEGIC COMPASS

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

May–June 2022 • Vol. 1 • No. 1 [Inaugural Issue]

CURRENT AFFAIRS

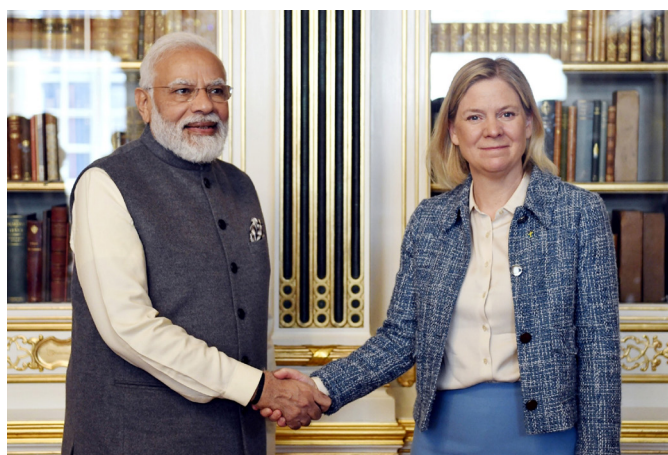
India-Sweden: bilateral talks

The 2nd India-Nordic Summit took place on May 4 in Copenhagen. The Prime Ministers expressed their commitment to build deeper cooperation between the Nordic countries and India and have agreed that a stronger Nordic-India partnership will help “promote innovation, economic growth, climate friendly solutions and mutually beneficial trade and investments”. They also discussed possibilities for increased cooperation in the Arctic region.

[Source: India's [Ministry of External Affairs](#), May 4, 2022]

At the India-Nordic Summit, Prime Minister Modi met with the Swedish Prime Minister Magdalena Andersson to discuss their bilateral partnership. Both leaders positively welcomed the progress of the India-Sweden initiative ‘Lead IT’ which was launched at the UN Climate Action in 2019. Furthermore, the leaders held a discussion on the potential for stronger India-Sweden cooperation in areas such as space, defense, and innovation.

[Source: India's [Ministry of External Affairs](#), May 4, 2022]



[Image Credit: YashSD / Shutterstock.com]

EU and India to resume Free Trade Agreement negotiations in June

The EU and India will resume negotiations on their FTA with the first round of talks in June 2022. Subsequent rounds will then be held with the aim to conclude the agreement by late 2023 or early 2024. The FTA will be highly significant as the EU is India's third largest trading partner after the US and China. The negotiations will have three tracks of dialogue as separate negotiations on an Investment Protection agreement and another on Geographical Indications will also take place. On June 17, Minister Piyush Goyal, responsible for Industry and Commerce, was welcomed by the EU Commission in Brussels to formally re-launch the negotiations.

[Source: [India Briefing](#) May 27, 2022 and [European Commission](#)]

In April, the Australia-India Economic Cooperation and Trade Agreement was signed. On May 1, the Comprehensive Economic Partnership Agreement (CEPA) between India and the Government of the United Arab Emirates came into force.

India is also in the process of negotiating Free Trade Agreements with the United Kingdom, Canada, and Israel.

India and Sweden host Industry Transition Dialogue

Ahead of the Stockholm +50 Climate Summit, India and Sweden hosted the Industry Transition Dialogue on June 1, as part of their joint initiative ‘Leadership for Industry Transition’. The Indian and Sweden Environment Ministers gave inaugural addresses and the event saw roundtables dialogues on Priorities for Implementation 2022-23. The 37 members included representative from countries and companies. The event highlighted the need for swift and wide-spread climate action at all levels.’

[Source: [Press Information Bureau](#), June 1, 2022]

India Key to the Stockholm + 50 Climate Summit

On June 2-3, the 'Stockholm+50' Summit was held to commemorate 50 years of global environmental action since the original 1972 Stockholm conference which launched the United National Environment Programme (UNEP). In 1972, the Prime Minister of India, Indira Gandhi, was the only foreign head of government from 113 nations to attend, making a pertinent speech on the importance of collective action to save the environment. In a co-op between the UNEP Executive Director and the Secretary-General of Stockholm+50, they recognized that India is as important and "integral to the success of Stockholm+50, as it was in 1972". India was represented by Environment Minister, Bhupender Yadav.

[Source: [Times of India](#), May 31, 2022 and [UNEP](#), May 18, 2022]



Credit: Duncan Moore / UN Photo.

INDIA-NORDIC RELATIONS

India-Nordic Summit

At the India-Nordic Summit, Prime Minister Modi held bilateral meetings with each of the Nordic Heads of State. Between Prime Minister Modi and the Danish Prime Minister Frederiksen, the importance of their Green Strategic Partnership was highlighted and was acknowledged as a "catalyst" for the growing India-Denmark ties.

[Source: [India's Ministry of External Affairs](#), May 3, 2022]

Prime Minister Modi and the Norwegian Prime Minister Jonas Gahr Støre discussed cooperation on a range of issues from energy to ocean management. Prime Minister Støre

also highlighted the potential for trade and investment by Norwegian companies in India.

[Source: [Norwegian Government](#), May 4, 2022]

Discussions with Iceland's Prime Minister Katrin Jakobsdottir focused on strengthening the India-Iceland cooperation in various areas and most notably within the Geothermal energy sector.

[Source: [Embassy of India in Reykjavik, Iceland](#)]

Prime Minister Modi and Finnish Prime Minister Sanna agreed to expand India-Finland cooperation in new and emerging technologies. Prime Minister Marin encouraged cooperation between Finnish and Indian companies amid the emerging opportunities in India's market.

[Source: [India's Ministry of foreign affairs](#), May 4, 2022]

India-Sweden Mining Platform Inaugurated

At the Nordic Summit, Prime Ministers Modi and Andersson discussed sustainable mining as an area of future cooperation since India and Sweden are leading mining nations. As such, on May 26 the first India-Sweden Mining Day was organised and the India-Sweden Mining Platform was inaugurated with roundtable discussions. Jointly organised by the Embassy of Sweden, Business Sweden, Invest India, and CII, government officials and representatives from mining companies were invited to discuss 'Automation & Digitalisation in the mining sector' and 'Sustainability in the mining sector – Challenges and opportunities'. The Swedish Ambassador to India, Klas Molin, expressed at the event that it encompasses the notion that "sustainability and innovation lie at the core of our bilateral cooperation."

[Source: [Financial Express](#), May 26, 2022]

PROFILING INDIA

India's IT sector reducing carbon footprint

The IT sector is a strong part of the Indian economy, and many digital companies feature high on the Climate Leaders list. It recognizes the businesses' commitments to reducing Scope 1 and 2 carbon emissions which arise from its operations and the energy it uses.

[Source: [Financial Times](#), June 13, 2022]

India's growing economy

India is expected to become a US\$ 5 trillion economy by 2026-2027. During the fiscal year 2021-2022, the economy grew by 8.7 % and is expected to grow by 7.2% in the next fiscal year 2022-2023. Furthermore, India has moved up six places from 43rd to 37th rank in the World Competitiveness Index (devised by the Institute for Management Development) due to its economic gains.

[Source: [The New Indian Express](#), May 22, 2022, [Reserve Bank of India](#), June 8, 2022, [Financial Express](#), June 15, 2022]

VivaTech 2022

On June 15, India was identified as the “country of the year” at VivaTech in Paris, recognizing its contribution to the world in terms of technology, innovation, and startups. Furthermore, the Indian minister of Railways, Communication, Electronics, and Information Technology, stated that, amid India's shift towards green hydrogen, the country will have its first hydrogen train ready next year in July.

[Source: [Viva Technology](#), June 2022 and [VivaTech Twitter](#), June 15, 2022]

India's First Carbon Trading Market

The Energy Policy Institute at the University of Chicago Trust in India and the Abdul Latif Jammel Poverty Action Lab have signed a Strategic Partnership agreement with the Gujarat government to establish India's First Carbon Trading Market. The ‘cap and trade’ system will be the first of its kind in an emerging economy other than China, allowing for the reduction of CO₂ emissions without major impacts on industries. The pilot system aims to promote a working model that boosts economic growth whilst meeting climate targets that can be replicated around the world. Gujarat has long been a pioneering government with regards to environmental policy in India and is developing into the ‘California’ of the country as a testing ground for new environmental policies and initiatives.

[Source: [Hindustan Times](#), May 31, 2022]

India: a key role in Volvo's goal to become fossil-free by 2040

According to Lars Stenqvist, the executive vice president of truck technology at Volvo Group, India is significant in its pursuit to become fossil-free by 2040. The team in Bengaluru will also have an important role in the Swedish giant's goal

to double its share of services and solutions revenue by 2030. Finally, there was an emphasis on the importance of the plant in Pithampur which was described as the “only global center producing five- and eight-liter engines that are used in trucks, buses and construction equipment”

[Source: [The Economic Times India](#), May 5, 2022]

Union Health Minister of India at the World Economic Forum, Davos

At the WEF, Minister Mansukh Mandaviya spoke of the world food crisis emerging due to the Ukraine War, urging all countries to come together. Madaviya pledged that India will increase their own food grain production and called on others to do the same. He touched on the importance of technology in addressing food insecurity and highlighted the positive changes that have been implemented in India in modernising the agricultural sector. Madaviya expressed that India sees the need for the world to work together to address food insecurity, medicines, and vaccine equality. At the meeting, India received praise from countries and figures such as Bill Gates on its digital global health efforts and impressive vaccination drive.

[Source: [The Hindu](#), May 26, 2022 and [Business Standard](#), May 29, 2022]

EU-INDIA RELATIONS

European Commission President von der Leyen visited New Delhi, April 24-25

President von der Leyen visited India to hold talks with President Kovind and Prime Minister Modi to strengthen EU-India Strategic Partnership. Significantly, President von der Leyen and Prime Minister Modi agreed to launch a joint Trade and Technology Council, allowing the partners to deepen cooperation on trade, trusted technology, and security. The EU only has one similar Council with the US. President von der Leyen also highlighted cooperation for decarbonisation between the EU and India as vital in the fight against climate change. She visited the International Solar Alliance and the Energy and Resources Institute during her visit. Lastly, von der Leyen delivered the opening speech at the geopolitical conference Raisina Dialogue, touching on the impact of the Ukraine War on the security of the Indo-Pacific.

[Source: [EEAS](#), April 24, 2022 and [EEAS](#), May 13, 2022]

European Commission President von der Leyen speech at Raisina Dialogue

“For the European Union, strengthening and energising its partnership with India is a priority in this upcoming decade. Both our economies thrive in a world of common rules and fair competition. We share the same interests in safe trading routes, in seamless supply chains, and in a free and open Indo-Pacific. Both our regions are driving forces in the digital revolution. This makes us natural partners in setting global standards, to make sure that the rules of the analogue world also count in the digital domain. And of course, both India and the European Union are key in the transition to a more sustainable and green future for our planet”.

[Source: [European Commission](#), April 25, 2022]



[Image source: [European Commission](#), April 25, 2022]

India-France: bilateral talks

On 4 May, after the India-Nordic Summit, Prime Minister Modi met with the President Emmanuel Macron in Paris. Both sides reaffirmed their commitment to enhance their partnership and further agreed to expand cooperation in new areas to tackle global emerging challenges.

[Source: [India's Ministry of External Affairs](#), May 4, 2022]

India-France joint naval patrol in Southern Indian Ocean

Between May 9-13, the Indian and French navies carried out “joint surveillance and patrolling operations” in the South-Western Indian Ocean. This is the second time they have cooperated on this type of operation. India, France, and the EU have committed to increasing their maritime presence and cooperation in the Indian Ocean Region. In February, the EU decided to expand its Coordinated Maritime Presences concept to the North-Western Indian Ocean.

[Source: [The Hindu](#), May 16, 2022 and [Council of the EU](#), February 21, 2022]

INTERNATIONAL UPDATES

India has joined the ‘Indo-Pacific Economic Framework’ proposed by the US at the Quad Summit in Tokyo, May 2022.

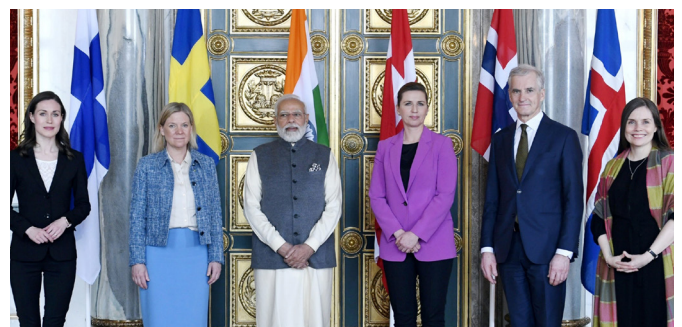
On April 11, 2022, the fourth US-India 2+2 Ministerial Dialogue took place in Washington, D.C. Before this, Prime Minister Modi and President Biden had a virtual meeting.



[Image source: [YashSD/ Shutterstock.com](#)]

PAST AND FORTHCOMING EVENTS

- May 4 – India-Nordic Summit



[Image Credit: [YashSD / Shutterstock.com](#)]

- May 22-26 – World Economic Forum Annual Meeting
- May 26 – ‘India-Sweden Mining Day’
- June – resumption of EU-India FTA talks
- June 1 – India and Sweden host Industry Transition Dialogue in Stockholm

- June 2-3 – Stockholm + 50 Climate Summit
- June 28 – Europe India Leaders Conference 2022
- September 14 – Sustainability Dialogue: an initiative by Sweden-India Business Council, the Swedish Chamber of Commerce India, and the Embassy of India in Sweden
- October 22 – Startup and Innovation Eco System Delegation to India by Sweden-India Business Council

FLASH POINTS

Memorandums of Understanding (MoUs)

May 2022 – [MoU](#) between EU Intellectual Property Office and Department of Industry and International Trade for future cooperation.

May 2022 – [MoU](#) between Bureau of Indian Standards and European Telecommunications Standard Institute for closer alignment.

Trade and commercial figures etc.

Approximately [6000](#) European companies present in India. Currently, there are over [240](#) registered Swedish companies in India

India has emerged as one of the [top markets](#) for the Swedish company Spotify since its launch in India three years ago. The Swedish furniture company IKEA will open its first store in [Bangalore](#) on June 22, 2022, thus making it India's [third](#) store after Mumbai and Hyderabad.

EDITOR'S NOTE

The India-Sweden bilateral has shown signs of steady growth this past month. This is a welcome development especially as more areas of convergence between the two countries become clearly visible — and achievable. From diplomatic endeavours to energy creation and economic enhancement, the bilateral holds immense potential to drive the EU-India Partnership deeper by solidifying trust and capacity building. Focus on technology and industry has seen emphasis; importantly, both the avenues have been approached with the lens of sustainability. This is in line with news we see coming out of India on its own attempts at reducing carbon footprint and going fossil free. Hence, future cooperation with India can and must continue to be envisioned under the backdrop of green sustainability.

News of the India-EU FTA negotiations resuming in June marks a highly positive movement, and EU President von de Leyen's visit to New Delhi with the launch of a joint Trade and Technology Council sets the stage on a positive note for the same. As the upcoming months offer more avenues to test the waters of the India-Sweden and India-EU bilateral, it is important for both countries to continue with diplomatic, academic and people-to-people linkages in order to build better understanding of how flashpoints can be managed to ensure a smooth, consistent upgradation of ties.

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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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