



INDIA-SWEDEN STRATEGIC COMPASS

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INDIA-SWEDEN

India and Sweden Advance Economic Ties Amid FTA Talks

India's Commerce and Industry Minister, Mr. Piyush Goyal, visited Sweden on June 11–12, leading a high-level business delegation to further strengthen bilateral trade and investment ties. During the visit, Minister Goyal co-chaired the 21st Session of the India-Sweden Joint Commission for Economic, Industrial, and Scientific Cooperation alongside Swedish Minister for International Development Cooperation and Foreign Trade, Benjamin Dousa. The discussions spotlighted collaboration opportunities across industries and emphasized the role of innovation and sustainability in future economic engagements.

A key agenda item was the ongoing negotiation of an India-EU Free Trade Agreement. Minister Dousa underscored Sweden's commitment to advancing the agreement, calling it a top priority. "India is a fast-growing economy, which in a few years is expected to be the world's third largest," he noted, adding that closer ties will unlock significant trade potential for both regions. The bilateral meetings also included business forums bringing together leading Indian and Swedish companies, highlighting



shared interests in technology, clean energy, and digital transformation.

Minister Goyal also participated in the India-Sweden High-Level Trade and Investment Policy Forum at the Confederation of Swedish Enterprise. The Forum brought together business leaders and policy-makers from both sides to discuss the evolving trade architecture and opportunities under the proposed India-EU Free Trade Agreement. Presentations were made by CII and the Confederation of Swedish Enterprise. CEOs from leading companies shared their views on enhancing value-chain partnerships, technology transfers, and investment facilitation.

A number of one-on-one meetings were held with Swedish companies from sectors such as automation, renewable energy, sustainable food systems,



Anurag Bhushan Appointed as India's Next Ambassador to Sweden

The Ministry of External Affairs has appointed senior diplomat, Mr. Anurag Bhushan, as the next Ambassador of India to Sweden. An Indian Foreign Service officer of the 1995 batch, Mr. Bhushan currently serves as Additional Secretary in the Emigration Policy and Welfare Division of the MEA and is expected to assume his new role in Stockholm shortly. Mr. Bhushan's appointment comes at a time of heightened engagement between India and Sweden, marked by deepening collaboration in innovation, sustainability, trade, and research.

His diplomatic experience, including recent leadership in the India-Saudi Joint Committee on Labour Cooperation, positions him to further elevate this key Nordic partnership. Initiatives such as the India-Sweden Innovation Day and LeadIT highlight this shared commitment to climate leadership and technology-driven development. Amb. Bhushan's tenure is expected to bolster strategic cooperation in sectors including green energy, digitalisation, and academic exchange, reflecting the growing role of Sweden in India's Nordic outreach.



Sources: Ministry of External Affairs, May 15, 2025; India Tribune, May 15, 2025; Embassy of India, Stockholm.

maritime technology, and advanced materials. Several companies conveyed strong confidence in the Indian economy and expressed intent to scale their presence through new investments, capacity expansion, and deeper localization. Areas of support discussed included facilitation in land access, skilling partnerships, and fast-track clearances.

Mr Goyal also visited the Ericsson headquarters in Stockholm, where an Ericsson delegation headed by Chief Technology Officer Erik Ekudden highlighted some of the company's latest 5G products, solutions and demos, following discussions about Ericsson's Indian operations and capabilities.

Minister Goyal said it was a pleasure to engage with Swedish business leaders at a dinner reception hosted by Sweden-India Business Council and Embassy of India. He said he highlighted the significant investment opportunities in India, especially in view of the country's impressive sustainable growth trajectory and ambitious goal of Zero Defect, Zero Effect.

The visit reflects the deepening alignment of strategic priorities between India and its European partners, aiming to translate high-level commitments into sustainable economic partnerships that foster innovation, resilience, and shared growth.

Source: The Local, June 11, 2025; Sweden in India@Facebook.

Indians Lead Positive Economic Impact Among Immigrant Groups in Sweden

A new report from Sweden's National Institute of Economic Research (NIER) has highlighted the substantial economic contribution of foreign-born residents, revealing that individuals born outside Sweden provided a greater net gain to the economy than those born within the country. Topping the list: immigrants from India. Commissioned by the Swedish government in 2023, the report aimed to assess the fiscal impact of immigration, including both labor migrants and asylum seekers. Using 2022 data, NIER calculated net contributions by subtracting public expenditure per group (such as healthcare, education, and social benefits) from the taxes paid.

The findings showed that Sweden's Indian-origin population—approximately 56,000 residents—made the highest net contribution, totaling SEK 6.6 billion in 2022, or SEK 119,000 per person. This figure surpasses the overall negative net contribution of those born in Sweden, which stood at SEK -6 billion. The report also emphasized the role of time in the country and labor market integration in shaping fiscal outcomes for immigrant groups. Working-age individuals, particularly those in skilled employment, were found to contribute positively to public finances, underscoring the importance of inclusive labor policies.

These insights not only highlight the economic value of the Indian diaspora in Sweden but also underscore the broader benefits of skilled migration for national economies.

Sources: The Local, June 12, 2025; NIER, June 2025.

2nd India–Sweden Industry Transition Partnership (ITP) Summit Held

The 2nd India–Sweden Industry Transition Partnership (ITP) Summit was held on May 7, 2025 in Stockholm, Sweden hosted by the Leadership Group for Industry Transition (LeadIT) and the Stockholm Environment Institute (SEI). The summit reaffirmed the commitment of both countries to accelerate industrial low carbon emission, particularly in hard-to-abate sectors such as cement and steel, which together account for approximately 14% of global CO₂ emissions.

The summit was attended by a high-level Indian delegation representing government, business, and research institutions, with a particular focus on the low carbon emissions of the steel and cement sectors. Among the participants were representatives from JSW Steel and JSW Cement, both of which were formally welcomed as new members of LeadIT during the summit.

The summit builds on the outcomes of the first ITP Summit held in New Delhi in April 2024 and follows the strategic launch of LeadIT 2.0 at COP28 in Dubai. The ITP is structured around



five working groups—two sectoral (cement and steel) and three cross-cutting (innovation, finance, and carbon markets). These groups are co-led by Indian and Swedish representatives and include key stakeholders from government, industry, and research sectors. The partnership is designed to facilitate the development of scalable, bankable low carbon emissions projects and to promote the exchange of technologies, knowledge, and financing solutions.

In connection with the summit, Indian delegations from the cement and steel sectors visited a number of leading Swedish companies and research institutions, including SSAB, HYBRIT, Stegra, LKAB, and Swerim AB, with the support of the Swedish Energy Agency. These visits offered direct exposure to cutting-edge technologies and innovative practices in steel and cement sector, further strengthening the knowledge and innovation exchange between the two countries.

As the partnership moves forward, both countries expressed their determination to deliver tangible outcomes by COP30 in Belém, Brazil, later this year.

The India–Sweden ITP continues to serve as a model of bilateral cooperation for sustainable industrial development, aiming to produce “lighthouse” projects that can guide global climate action in hard-to-abate sectors.

Source: Sweden in India@Facebook, May 14, 2025; SEI June 17, 2025.

Sweden and Gujarat Focus on Investment in Green Growth

On May 30, Chief Minister of Gujarat, Mr. Bhupendra Patel met with Sweden’s Consul General, Mr. Sven Östberg, and representatives from 11 leading Swedish companies in Gandhinagar to strengthen bilateral collaboration and enhance the Investor Facilitation Mechanism. The discussions focused on expanding Swedish investment across key sectors in Gujarat, with particular emphasis on green growth and renewable energy.

The Chief Minister highlighted Gujarat’s proactive, policy-driven governance model and its commitment to providing an industry-friendly environment with world-class infrastructure. Reaffirming his administration’s support, CM Patel assured swift

resolution of investor concerns and underlined the state’s role as a preferred destination for international partnerships under the leadership of Prime Minister Narendra Modi. The meeting reflects growing Swedish interest in Gujarat’s industrial ecosystem and aligns with India’s broader strategy to attract sustainable foreign investment.

Source: Bhupendra Patel on X, May 30, 2025.

CEC Gyanesh Kumar Delivers Keynote at International IDEA Stockholm Conference on Electoral Integrity



Chief Election Commissioner (CEC) of India, Mr. Gyanesh Kumar, visited Sweden to attend the International IDEA Stockholm Conference on Electoral Integrity, from June 10-12, 2025. He delivered the keynote address at the prestigious conference with over 100 participants representing around 50 countries. The massive scale of the Indian elections and the magnitude of the logistics involved in the exercise evinced keen interest amongst Election Management Bodies (EMBs) across the world.

He also held detailed one-to-one bilateral meetings with the Chief Election Commissioners of nearly 20 countries including the United Kingdom, the Netherlands, France, South Africa, Indonesia, Mexico, Mongolia, and Switzerland amongst others, further reinforcing India’s commitment to global democratic cooperation and the exchange of best practices in the coming days. The conference was organised by the International Institute for Democracy and Electoral Assistance (International IDEA) in collaboration with the Swedish Ministry of Foreign Affairs, the Swedish Election Authority, and the Australian Electoral Commission.



Earlier, he had a memorable interaction with the Indian diaspora in Sweden. The CEC reiterated the Election Commission's focus on inclusive participation and civic engagement among Non-Resident Indians (NRIs) and Overseas Citizens of India (OCIs). He highlighted initiatives such as the Online Voter Registration System and the Electronic Transmission of Postal Ballot Management System (ETPBMS), aimed at enabling greater participation of overseas voters.

Source: PTI, June 9, 2025; Sweden in India@ Facebook, June 9, 2025.

Hari Prasad Chaurasia in Stockholm

The Embassy of India in Sweden had the great pleasure of welcoming the legendary maestro, Mr. Hari Prasad Chaurasia, and his team of talented musicians, along with the family of Pandit Chatur Lal and Moa Danielsson of Stockholm Sangeet. The renowned flautist was in Stockholm to commemorate the centenary birth anniversary of Pandit Chatur Lal, a pioneer in the world of percussion.

Source: India in Sweden @ Facebook, June 6, 2025.



International Yoga Celebrated in Stockholm on Swedish Midsummer Day!

The event took place against the scenic backdrop of Lake Mälaren, with the iconic Stockholm City Hall in view. Yoga enthusiasts from across the city gathered to participate in the celebration, which was attended by members of the diplomatic community, Swedish and Indian diaspora. Swedish Chess Grand Master Ms Pia Cramling also graced the occasion by her presence.



The celebration was organized by the Embassy of India in collaboration with the Art of Living Foundation, Heartfulness, and the Isha Foundation.

Source: India in Sweden @ Facebook

INDIA-NORDIC

Maritime Mission to Denmark Seeks to Transform India into Green Shipping Hub

Indian Cabinet Minister, Mr. Sarbananda Sonowal, was appointed as the head of India's marine mission to Denmark, which took place from the June 2-7, where the minister and his delegation engaged in bilateral talks with the Japanese and Norwegian ministerial counterparts, and met with the representatives of the Component Manufacturers and Technology Developers and the European Shipping Companies.

Minister Sonowal, stating the purpose of his visit, declared: "My visit to Norway and Denmark – both recognised as maritime leaders- is aimed at building strong, future-ready partnerships. These engagements will help us [...] align efforts of a greener and more resilient maritime ecosystem. [...] And this visit reflects our commitment to that shared vision."

In Copenhagen, Minister Sonowal held bilateral talks with Danish Minister for Industry, Business and Financial Affairs, Mr. Morten Bødskov regarding the possibility of a study on Green Corridors from India, conducted in close collaboration with key Indian and Danish stakeholders, which will serve to assess the main components of possible green corridors

in India and outline the most promising ones. The project is framed under the Indo-Danish Centre of Excellence in Green Shipping, recently established according to the targets set out in India's Amrit Kaal Vision 2047. The initiative aims to promote a digital and green transition of the maritime sector in India to become a sustainable shipping hub for the international maritime sector.

The visit to Copenhagen was also the occasion to address the students of the Blue MBA at the Copenhagen Business School with a discourse on India's economic opportunities and to visit the Minnehallen "Hall of Remembrance" to pay homage and obeisance to the fallen Indian sailors who lost their lives during World War-II.

Sources: Maritime Getaway, June 2, 2025; India Shipping News, June 2, 2025; Embassy of Denmark in India on LinkedIn, June 17, 2025.

India Strengthens Shipbuilding Capabilities with Norway's Help

With its stop in Oslo on the occasion of the Nor-Shipping Conference, India's marine mission to Denmark participated at the signature of the MoU between Kolkata-based Garden Reach Shipbuilders and Engineers Limited (GRSE) and Norwegian firm Kongsberg to co-design and build India's first polar research vehicle (PRV). The project has been defined as a commitment to fostering scientific discovery, and as a way for India to address pressing challenges like climate change, since the PRV allows scientists to undertake research not only in the Poles, but also in the ocean realm.

During the signature of the agreement, Minister Sonowal highlighted the complementarities of the MoU and PM Modi's vision of SAGAR – Security and Growth for All in the Region, since it leverages India's vast coastline and maritime heritage while ensuring collective sustainable development. The MoU is an important milestone for the Indian shipbuilding sector, since it will receive design expertise for developing the PRV, allowing it to showcase India's critical shipbuilding capabilities.

During the visit, Minister Sonowal also held talks with Japan's Minister of Infrastructure and Transport Terada Yoshimichi to assess the progress of a possible partnership deal between Indian and Japanese shipyards. In particular, India is interested in exploring joint ventures and collaborative arrangements with Japan's big three maritime companies: Imabari Shipbuilding, JMUC, Kanagawa Dockyard, and Mitsubishi Heavy Industries. Minister Yoshimichi welcomed the proposal, since Japan has been engaged in railway infrastructure development with India and now wants to explore further fields for collaboration.

Sources: The Indian Express, June 4; Maritime Executive, June 3.

SPECIAL FEATURES

India at the G7

India participated as a guest in the G7 Outreach Session held in Kananaskis, Canada (June 16-17), where Prime Minister Modi delivered a high-profile address focusing on terrorism, energy security, and global equity.

Mr. Modi condemned the Pahalgam terror attack, describing it as an "assault on all humanity," and called for global action against countries that support terrorism, implicitly referencing Pakistan, while cautioning against double standards in counter-terror efforts. He urged a unified, zero-tolerance posture toward terrorism, warning that indifference risks betraying global security norms. Beyond security, Mr. Modi emphasized energy security, highlighting India's leadership in meeting its Paris Agreement goals ahead of schedule and



advocating for inclusive policies that prioritize affordability, access, and sustainability, particularly for developing nations in the Global South.

Mr. Modi utilized the platform by calling on advanced economies to address the needs of developing countries, especially in energy, counter-terrorism, and AI governance.

Sources: India Today, June 19, 2025; Ministry of External Affairs, Government of India, June 18, 2025; narendramodi on X, June 17, 2025.

INDIA-EU

Toward a Landmark Free Trade Agreement

India and the European Union are making steady progress toward a long-awaited Free Trade Agreement (FTA), signifying a revitalized phase in their economic partnership. The 11th round of negotiations, which concluded on May 16, established a framework in two phases: the first phase addresses critical trade issues, including market access for goods, services, and investments, while allowing more time to tackle complex subjects such as intellectual property, regulatory standards, and sustainability.



The EU is interested in deeper tariff reductions on automobiles, wines, medical devices, and meat products, while India aims for increased access for its garments, pharmaceuticals, petroleum, and steel. The discussions now cover over 23 key policy areas, such as investment protection, customs facilitation, and sustainable development, highlighting the FTA's broad aspirations.

Reaffirming India's dedication, Prime Minister Narendra Modi visited Cyprus on June 16, where he and President Nikos Christodoulides highlighted their common objective to reach an agreement by the end of 2025. Cyprus, which will hold the EU Council Presidency in 2026, expressed its full

support and is positioning itself as a gateway for Indian trade into Europe.

Sources: Reuters, May 2 & June 16, 2025; Times of India, May 18, 2025.

European Parliament Voices Back India-EU Ties, Minister Jaishankar Says

During his recent visit to Belgium and Luxembourg, Indian External Affairs Minister S. Jaishankar met with several Members of the European Parliament, including Angelika Niebler, Urmas Paet, Pilar del Castillo, Vladimir Prebilič, and Gyula Winkler, and welcoming their support for stronger India-EU relations, he praised their understanding of India's right to defend itself against terrorism.

Mr. Jaishankar also expressed appreciation for European Commission President Ursula von der Leyen's "strong condemnation" of the Pahalgam attack, honoring the solidarity shown by the EU following the tragedy.



Beyond these sentiments, the discussions encompassed global developments, regional security, and the further deepening of parliamentary ties between India and the European Union. Mr. Jaishankar also met with Belgium's Prime Minister Bart De Wever, and King Philippe, underscoring the diplomatic breadth of his agenda.

Sources: The Hindu, June 11, 2025.

Trilateral Development Cooperation: EU-India in Action

On June 11, India and the European Union officially launched a new trilateral cooperation framework



under the Global Gateway initiative. Announced during a meeting in Brussels between India's External Affairs Minister S. Jaishankar and EU Commissioner Jozef Síkela, the partnership commits both sides to collaborate on projects in third countries, by leveraging their respective strengths and values.

The initiative will co-finance and develop pilot projects in areas such as digital and public infrastructure, clean energy and green mobility, sustainable agriculture and nutrition, water, sanitation, and health, education, and women's empowerment.

This trilateral model represents a strategic evolution in India-EU cooperation, building directly on existing commitments like the 2023 Trade & Technology Council and broader frameworks including the Strategic Partnership Roadmap and Indo-Pacific Strategy. Set to run through 2025, it reinforces the shared ambition of India and the EU: to champion inclusive, values-based development while projecting their partnership into meaningful global action.

Source: European Commission, June 11, 2025.

EU-India Climate Cooperation Strengthened at Net Zero Forum

During the 2025 India Net Zero Forum, EU Ambassador Hervé Delphin commended India's climate leadership and reiterated the EU's dedication to enhancing cooperation. He emphasized India's advancements in renewable energy and its goal of achieving net-zero emissions by 2070, highlighting the significant opportunities for collaboration in clean energy, green hydrogen, and sustainable urban development.

Delphin highlighted that addressing climate change is both urgent and economically advantageous, describing green growth as a driver of innovation and prosperity. He emphasized the importance of EU-India collaboration in influencing global decarbonization and encouraged India to adopt a bold leadership stance ahead of COP30.

Source: EEAS Delegation of the European Union to India and Bhutan, June 18, 2025.

EAM Chairs Regional Envoys' Conference in Berlin

In May, External Affairs Minister, Mr. S Jaishankar, chaired a regional conference of Indian ambassadors stationed in Europe in Berlin and focused on India's stance of zero tolerance towards terrorism and strategies to deepen engagement with European nations amid evolving global dynamics. The high-level gathering served as a platform to assess and strategize India's diplomatic engagement with European nations in a rapidly evolving geopolitical landscape.

Mr. Jaishankar emphasized the importance of staying agile and strategic in diplomacy, particularly in regions witnessing dynamic shifts. The conference in Berlin marks a step forward in India's effort to align its foreign policy priorities with global transformations and reinforce its presence on the European stage.

Source: DrSJaishankar at X, May 22, 2025; PTI, May 22, 2025; IndoEuropean.eu, May 22, 2025.





France's Dassault Aviation relocates part of its production to India

In a major boost to India's ambitions to grow its domestic defense industry, French aerospace leader Dassault Aviation has announced two significant manufacturing partnerships with Indian companies Tata Advanced Systems and Reliance Infrastructure. These deals mark the first time Dassault is moving parts of its jet production outside of France.

Under the first agreement, Dassault will work with Tata to produce Rafale fighter jet fuselages in Hyderabad, with operations expected to begin in fiscal year 2028. According to Tata, the components will serve both Indian and global markets, reflecting India's growing role in the worldwide aerospace supply chain. The second partnership, signed on June 18, will see Dassault and Reliance jointly assemble Falcon 2000 business jets in Nagpur. The first made-in-India Falcons are also expected to be ready by 2028. The announcement led to a 5% jump in Reliance Infrastructure's stock price.

These developments come as India seeks to reduce its reliance on imports and become a defense exporter. Last year alone, the country's defense exports rose by 12 percent, reaching \$2.76 billion.

Source: Reuters, June 5 2025; June 18, 2025.

INDIA-GLOBAL

India-UK trade deal signed

The signing of the India-UK Free Trade Agreement, along with the Double Taxation Convention of May 6, has been welcomed by both Prime Minister Modi and Prime Minister Stramer as a historic milestone for India-UK relations. The agreement is expected to enhance not only bilateral trade but also people-to-people connections, living standards of citizens in both countries, and joint development of products and services for global markets.

On the Indian side, Delhi has reduced imports on 90% of British products sold in the country,

including food and drinks, medical devices, aerospace, electrical machinery, and cosmetics. India will also cut automotive tariffs from over 100% to 10%. Meanwhile, the UK has lowered customs on Indian jewelry and gems, clothing and footwear, food, and certain types of cars. This will mean 99% of India's exports to Britain face no duties.

UK businesses will also access India's procurement market, which covers goods, services, and construction, and in some cases, firms that will manufacture in India will benefit from the "Make in India" policy.

The negotiations for the UK-India FTA started in 2022, but it seems that the introduction of tariffs for U.S. imports by President Trump has sped up the process to create mutually advantageous FTAs. The agreement also comprehends the Double Contribution Convention, strongly promoted by the Indian side, which consists of a three-year exemption for social security contributions for Indian employees working in the UK, on short-term visas.

The new agreement is expected to increase bilateral trade between the countries by \$34 billion a year from 2040.

Sources: MEA, May 6, 2025; Reuters, May 6; BBC, May 7, 2025.

President Vladimir Putin accepts PM Modi's invitation to New Delhi

Russian President Vladimir Putin has welcomed Prime Minister Modi's invitation to visit India, following a phone conversation on May 5. The visit will be held in conjunction with the annual bilateral summit. In the phone talk, the two leaders remarked on the strategic nature of the Russia-India relations, which remain stable despite "*external influence*" and continue to develop dynamically.

This development underscores India's ongoing efforts to strategically balance major powers, reinforcing its position as a key diplomatic player amid increasing global polarization.

Source Reuters, May 5, 2025; NDTV, May 5, 2025; The Economic Times, May 12, 2025.



EDITOR'S NOTE

A good momentum is visible continuously in India-Sweden ties, strengthening India-Nordic and India-EU ties as well. Minister of Commerce and Industry, Mr. Piyush Goyal's successful visit has boosted India-Sweden trade and economic ties. Both Sweden and India are looking to identify new opportunities for trade, employment and growth in innovative areas such as green transition and sustainable technology.

Importantly, the joint paper on the proposed India-European Union Free Trade Agreement, released during the India-Sweden High-Level Trade and Investment Policy Forum, underscores India's and Sweden's collective commitment to forging stronger economic ties and fostering inclusive growth. Minister Goyal also concluded a successful visit to Switzerland, which reinforced the impetus for the India-Switzerland partnership under the EFTA TEPA.

Notably, India and the UK finalized a landmark trade agreement after three years of negotiations.

The FTA will eliminate tariffs on a wide range of Indian exports, making them more competitive in the wider market, including in the UK. This includes key sectors like textiles, leather, engineering goods, and pharmaceuticals. The agreement is expected to encourage UK investment in India, particularly in areas like technology and infrastructure. The FTA will undoubtedly further strengthen the UK-India strategic partnership. The India-UK FTA is part of New Delhi's broader push to finalise high-value trade deals with complementary economies, following recent agreements with the UAE and EFTA.

Sweden also welcomes the new Indian Ambassador to Sweden, Mr. Anurag Bhushan. His career in the foreign service reflects a thoughtful blend of policy insight and international engagements across important postings. Mr. Bhushan is well-positioned to bring experience and knowledge from his rich career to contribute to and strengthen India-Sweden 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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