

## India – Finland Relations

Finland and India have traditionally enjoyed warm and friendly relations. Finland sees India as a market for its products and a favourable investment destination for its high technology industries. India views Finland as an important member of the EU and a repository of modern technology.

### Bilateral Visits

#### High-level visits

Prime Minister Pt. Jawaharlal Nehru visited Finland in 1957 and Prime Minister Smt. Indira Gandhi visited in 1983. Prime Minister Pt. Manmohan Singh came to Finland in 2006.

The first Prime Minister of Finland to visit India was Mr. Vieno Johannes Sukselainen in 1960, followed by a visit of Prime Minister Mr. Kalevi Sorsa in 1984. Prime Minister Mr. Matti Vanhanen visited India three times, in March 2006, February 2008 and February 2010 (last two occasions to attend Delhi Sustainable Development Summit).

Prime Minister Mr. Juha Sipilä visited India from 12 to 14 February, 2016 to participate in the "Make in India Week" in Mumbai along with a business delegation. He met Prime Minister Shri Narendra Modi, Union Ministers of Finance, MOS(IC) for Commerce and Industry, MOS(IC) for Power, Coal, New and Renewable Energy, and the Chief Minister of Maharashtra and Gujarat respectively. Prime Minister Sipilä also met several Indian corporate leaders.

President of Finland Mr. Urho Kekkonen visited India in 1965, President Mr. Mauno Koivisto in 1987 and President Mr. Martti Ahtisaari in 1996. President Mrs. Tarja Halonen visited India in January 2007, February 2009 and February 2012 to attend the Delhi Sustainable Development Summit.

President Shri V.V. Giri visited Finland in 1971, and President Shri R. Venkataraman in 1988.

President Shri Pranab Mukherjee, paid a State Visit to Finland on 14-16 October 2014 accompanied by a high level delegation including Minister of State for Heavy Industries and Public Enterprises, Shri P. Radhakrishnan, four Members of Parliament, Officials, academicians and a business delegation. He met his counterpart President Mr. Sauli Niinisto, Prime Minister Mr. Alexander Stubb, Foreign Minister Dr. Erkki Tuomioja and Speaker of the Parliament Mr. Eero Heinoluoma and addressed a Business Seminar in Helsinki.

19 Agreements for cooperation in New and Renewable Energy, Biotechnology, Civil Nuclear Research, Meteorology, Healthcare and Education were signed during the visit.

**Ministerial visits from Finland to India in 2013:** Minister for Foreign Affairs Dr. Erkki Tuomioja visited India in May 2013; Minister for International Development Mr. Pekka Haavisto attended the ASEM Foreign Ministers' Meeting in India in November; and Minister for European Affairs and Foreign Trade Mr. Alexander Stubb took a business delegation to India in October.

Shri Piyush Goyal, Minister of State (IC) for Power, Coal, New and Renewable Energy and Mines visited Finland on 3-5 November, 2016.

### **Foreign Office Consultations**

Discussions on bilateral matters, regional and multilateral issues of mutual interest are held regularly at the level of Secretary in Ministry of External Affairs and Director General in the Finnish Foreign Ministry. The last round (9<sup>th</sup> round) of consultations were in India on 6 October, 2016.

### **Bilateral Agreements:**

- i. Trade Agreement (1967); replaced by the Economic Cooperation Agreement signed in March 2010.
- ii. Setting up India-Finland Joint Commission (1974).
- iii. Agreement on Avoidance of Double Taxation (1983); amended January 2010.
- iv. Cultural Agreement (1983).
- v. Memorandum of Understanding on Textiles (1993).
- vi. Air Services Agreement signed 1995, modified in May 2006.
- vii. Bilateral agreement on Promotion & Protection of Investments signed 2002.
- viii. Agreement for Cooperation in Science & Technology 2008.
- ix. MoU for cooperation on Information Security January 2010.
- x. MoU for Cooperation in Road Transport May 10, 2010.
- xi. Social Security Agreement June 2012 and implemented w.e.f. August 1, 2014.
- xii. Arrangement for Cooperation in Nuclear and Radiation Safety Regulation October 2014.
- xiii. MoU for cooperation in Renewable Energy October 2014.
- xiv. MoU for cooperation in Biotechnology in October 2014.
- xv. Implementing Arrangement for cooperation in Atmospheric Environment in October 2014.
- xvi. Gainful Occupation for Family Members of Members of a Diplomatic Mission or Consular Post on 1st August, 2016.

### **Economic and Commercial Relations**

India's trade with Finland crossed \$ one billion and is in Finland's favour. In 2016, Finland was India's 60<sup>th</sup> largest trade partner globally, and the 10<sup>th</sup> largest within the EU (Ministry of Commerce & Industry, Government of India 2017). Similarly in 2016, India was Finland's 23<sup>rd</sup> largest trade partner globally, and the fifth largest within Asia (Finnish Customs 2017).

**Main export items from India:** Electronic goods, mineral fuels and mineral oils, ready-made garments, cotton including accessories, pharmaceuticals & fine chemicals, articles of iron and steel, machinery and instrument, coffee, rubber, iron and steel, organic chemicals and nuclear reactors, boilers, machinery and mechanical appliances and parts thereof.

**Major imports of India from Finland:** Electrical machinery and equipment, nuclear reactors, boilers, machinery and mechanical appliances, paper and paper board, iron and steel, pulp of wood or of other fibrous cellulosic material, pulp and waste paper, vehicles and transport equipment etc.

Financial Year	2014-15	2015-16	2016-17
Exports to Finland	330.18	248.60	272.67
Imports from Finland	917.48	1002.37	1011.67
Total Trade	1,247.66	1251.14	1284.34

*Source: Ministry of Commerce, Government of India*

### **Investments:**

As per FDI statistics (DIPP, India) Finnish companies had invested US\$ 419 million between April, 2000 to July, 2017. Within the EU, Finland ranks 12<sup>th</sup> among countries investing in India (Ministry of Commerce & Industry, Government of India 2017).

Approximately 100 Finnish companies now have operations in India, including through investments. Large manufacturers like Nokia, Kone, Wartsila, UPM, Fortum, Metso, Huhtamaki, Salcomp, Ahlstrom, etc. have set-up their manufacturing facilities in different parts of India. Big Finnish IT companies Tieto and F-Secure have also established operations in India. Nokia has offices in Gurgaon, Bangalore, Mumbai and Chennai, as well as a Global R&D center in Bengaluru with 3000 people.

About 30 Indian companies, mainly in the software and consultancy sector are active in Finland. Among them are TCS, WIPRO, Infosys, L&T InfoTech, Tech-Mahindra, HCL Technologies and others. Investments from India have started, including through acquisitions.

In November 2012, Indian company Trivitron Healthcare, acquired Ani Labsystems – a group consisting Ani Biotech, Ani Labsystems, Biopoint and K3, which manufacture medical testing equipment. Mahindra Holidays and Resorts has invested in the Finnish company 'Holiday Club Resorts Oy', acquiring over 95 % of the company's shares.

### **Cultural Relations:**

Finland is very receptive to Indian culture and art. There are several Indian dance schools and training centres for Yoga in Finland. Cultural functions are organised by local Indian Associations and other organisations promoting Indian dance and music frequently include Indian dances (both classical as well as modern) and Indian music. There are many Yoga and Meditation groups affiliated to various Indian schools in these disciplines. A Finnish India Cultural Society has been active since 1956. Embassy of India has been organising International Day of Yoga for 3 years. India Day was organized in Helsinki on 17 June, 2017 attended by about 4000 persons and participation of 200 artists.

### **Tourism:**

In 2016, 18,371 Finnish tourists visited India especially to Goa and Kerala, though other destinations are becoming popular. With direct Finnair flights from Helsinki to New Delhi since 2006 the number of Finnish visitors has increased. E- Tourist Visa scheme available since 1 January 2010 for Finnish citizens has enhanced mobility. India Tourist Office

organises Road Shows in Helsinki regularly and participates in the Helsinki Tourism Fair every year.

### **Indian Community:**

There are about 7000 Indians PIOs and NRIs in Finland mostly in Helsinki and surrounding regions. Majority of Indians who had settled immigrated during 1980s and 1990s were from Punjab and are engaged in the restaurant business.

In recent years, a number of Indian professionals, joined Finnish high-tech and IT companies. Presently there are about 700 Indian professionals working for high-tech companies like Nokia and Indian software companies like TCS, WIPRO, L&T, Infosys, HCL, Mahindra InfoTech and others based in Finland.

There are also a small number of Indian/PIO academics working in Finnish universities. The number of Indian students at Finnish universities has grown in recent years and currently **779** Indian students are pursuing higher education in Finland especially for Degree programmes in Computer, Communication and Information Sciences as well as Mechanical and Electrical Engineering. Since August 2017, non-EU Bachelor's and Master's degree students who begin their studies in English-taught programmes, will be charged a tuition fee. Finnish universities and universities of applied sciences offer scholarship options.

### **Useful Resources:**

Embassy of India, Finland website:

[www.indianembassy.fi](http://www.indianembassy.fi)

<https://www.facebook.com/IndiaInFinland>

Twitter: <https://twitter.com/IndEmbFinEst>

### **August 2017**