

## **India - Croatia Relations**

The Republic of Croatia (Republika Hrvatska in Croatian language, population around 4 million) proclaimed independence on 25 June 1991 after breaking away from the former Socialist Federal Republic of Yugoslavia.

India formally recognized Croatia in May 1992 and diplomatic relations were established on 9 July 1992. Croatia opened its Resident Mission in New Delhi in February 1995. The Indian Mission in Zagreb was opened on 28 April 1996, and upgraded to Ambassadorial level in January 1998.

During the days of former Yugoslavia, Croatia played an important role in the close links between India and Yugoslavia. Croatia accounted for more than two-thirds of trade between the two nations, including large scale purchases of Croatian ships by India in the 1970s and 1980s. Marshal Tito, who ruled Yugoslavia for more than three decades, was a Croat, and maintained close relations with the Indian leadership. Prime Minister Nehru and Marshal Tito were also pioneers of the Non-Aligned Movement.

These friendly linkages with India have continued after Croatia's independence, though Croatia's initial focus after independence was on addressing the ethnic conflict that followed the breakup of former Yugoslavia, and thereafter on integration with NATO (1 April 2009) and the European Union (1 July 2013). Croatia is now working towards joining the Schengen Zone and adopting the Euro currency.

In recent years, Croatia has resumed looking at other parts of the world, particularly Asia. India and Croatia currently enjoy robust bilateral political and cultural ties, and both countries are focussed on imparting greater economic content to the relationship. There is also close cooperation at the multilateral level.

### **High level visits**

From Croatian side, there was a series of high-level visits in the years after independence. Then President Stjepan Mesić paid a State Visit to India in November 2002. Visits at the level of Dy PM took place in April 1995 (Mate Granić, who was also Foreign Minister) and November 2000 (Goran Granić). Ministerial visits took place in April 1992 (Zvonimir Separović, Foreign Minister), November 1998 (Nenad Porges, Minister of Economy), March 1999 (Bozo Biškupić, Minister of Culture), May 2001 (Tonino Picula, Foreign Minister) and September 2003 (Pave Zupan Rusković, Minister of Tourism). After a gap, high-level visits have recently resumed with Deputy Prime Minister and Foreign Minister Marija Pejcinovic Buric visiting India in October 2018.

From the Indian side, President Shri Ram Nath Kovind paid a State Visit to Croatia in March 2019. Former Vice-President Shri M. Hamid Ansari visited Croatia in June 2010. Other ministerial visits are Shri Pranab Mukherjee, Commerce Minister (September 1994), Dr. B.B. Ramaiah, MOS (Commerce) (September 1997), Shri Shatrughan Sinha, Minister of Shipping (August 2003), Shri Digvijay Singh, Minister of State for External Affairs (September 2003), Smt. Bhavnaben Chikhaliya, Minister of State for Tourism & Culture and Parliamentary Affairs (October 2003), Shri Kapil Sibal, Minister of Science & Technology

and Earth Sciences (February 2007), Shri Anand Sharma, Minister of State for External Affairs (September 2007), Smt. Preeti Kaur, Minister of State for External Affairs (February 2014), General (Dr.) V.K. Singh (Retd), Minister of State for External Affairs (April 2016) and Smt. Nirmala Sitharaman, Minister of Commerce and Industry [Independent Charge] (February 2017).

Over the years, a number of Croatian Members of Parliament (*Parliament is known as Sabor*) have visited India, including Vladimir Šeks, Acting Speaker (March 1999), Zdravko Tomac, Deputy Speaker (January 2003), Marija Lugaric (January 2007), Furio Radin, Chairman, Committee on Human and National Minority Rights (Feb 2008), Luka Bebic, Speaker (March 2010) & Veljko Kajtazi, MP for National Minorities and President of Indo-Croatian Parliamentary Friendship Group (March 2018). From the Indian side, Speakers of Lok Sabha have visited in July 1997 (Shri P.A. Sangma) and July 2002 (Shri Manohar Joshi).

Nine rounds of Foreign Office Consultations at Secretary-level took place between 1995 and 2011, and a proposal to resume them is under consideration.

### **Important Bilateral Agreements/MoUs**

- Trade and Economic Cooperation Agreement (2017). Flowing from this, the first India-Croatia Joint Business Council was set up in April 2017. Separately, the Joint Economic Commission under the Agreement met in New Delhi in November 2017.
- Maritime Transport Agreement (1997).
- Agreement on Cooperation in Culture, Science & Technology, Education and Sports (1999).
- Agreement on Cooperation between Diplomatic Academy of the Ministry of Foreign Affairs of Croatia and Foreign Service Institute (FSI), Ministry of External Affairs (2000).
- Modified Air Services Agreement (2000). Croatian Airlines and Air India entered into a Code Share Agreement in November 2016, which came into effect on 1 April 2017.
- Agreement on Cooperation in the Fight against International Illicit Trafficking of Narcotic Drugs, Terrorism, etc. (2001).
- Agreement on Agricultural Cooperation (2002).
- Agreement on Exemption of Visa Requirement for Holders of Diplomatic and Official / Service Passports (2007).
- Agreement on Cooperation in Health and Medicine (2010). The first JWG on Health and Medicine was held in Delhi in February 2018.
- Agreement on Double Taxation Avoidance (2014).
- Agreement on Gainful Occupation of Family Members of Diplomatic and Consular Posts (2018).
- Cooperation between Croatian Bank for Reconstruction and Development (HBOR) and EXIM Bank of India (2000).
- Cooperation between Export Credit & Guarantee Corporation of India Ltd. (ECGC) and Croatian Bank for Reconstruction and Development (HBOR) (2002).
- Programme of Cooperation in Science and Technology for 2005-08 (2005).
- Cultural Exchange Programme (CEP) for 2005-07 (2005), which was followed by subsequent renewals. During visit of former Croatian FM Ms. Marija Pejcionvic Buric to India in October 2018, CEP was renewed for 2019-22.
- Educational Exchange Programme (2006), renewable every five years.

- MoU between ICCR and University of Zagreb for establishment of ICCR Chair of Hindi (2009). The MoU was renewed during President's State Visit to Croatia (2019).
- MoU for establishment of ICCR Sanskrit Chair between ICCR and University of Zagreb (2019).
- MoU on tourism cooperation between Ministry of Tourism of India and Ministry of Tourism of Croatia (2019).
- MoU on sports cooperation between Sports Authority of India and Faculty of Kinesiology, University of Zagreb (2019).

### **Economic and Commercial Relations**

Croatian GDP is estimated at Euro 51.60 billion (2018), with per capita GDP at Euro 12,621 (2018). Its total foreign trade in 2018 was Euro 38.28 billion, with imports of Euro 23.74 billion and exports of Euro 14.54 billion.

India-Croatia bilateral trade during 2018 was US\$ 185.98 million, as per our Department of Commerce statistics (Croatian statistics are slightly lower at Euro 137.35 million). Nearly 92% of this was Indian exports to Croatia. Figures of India's trade with Croatia are given below (both Indian and Croatian statistics):

#### **Croatia-India Bilateral Trade (In million)**

*Euro million*

Year	2015	2016	2017	2018	Jan - Oct 2019
Croatia's Exports	€ 17.53	€ 11.05	€ 15.36	€ 11.02	€ 34.41
Croatia's Imports	€ 104.5	€ 100.60	€ 126.14	€ 126.33	€ 92.31
Total Trade	€ 122.03	€ 111.65	€ 141.50	€ 137.35	€ 126.72

*(Source: Croatian Central Bureau of Statistics)*

#### **Croatia-India Bilateral Trade (In million)**

Year	2015	2016	2017	2018	Jan – Oct 2019
Croatia's Exports	\$26.47	\$28.28	\$32.27	\$35.70	\$49.07
Croatia's Imports	\$116.49	\$117.88	\$167.18	\$150.28	\$116.89
Total Trade	\$142.96	\$146.72	\$199.45	\$185.98	\$165.96

*(Source: Department of Commerce)*

India's exports include chemicals and fertilizers, pharmaceuticals, machinery and equipment, metals, readymade garments and textiles, rubber and plastics, while we import plastic & rubber machinery, instruments and appliances for measuring and testing, food products and wood products. There is potential for increasing India's exports in segments such as textiles, leather, pharmaceuticals, basic chemical products, coffee, tea, industrial and electrical machinery. Opportunities also exist for India to use Croatia as a gateway to the South-East European markets using its major ports of Rijeka and Ploce.

As regards investments, despite being a small market, some Indian companies are now present in Croatia. ACG World Wide acquired Lukaps (Ludbreg) in 2007 and has since become a major supplier of gelatine capsules to EU. It plans to expand further with the establishment of an R&D Centre. It also acquired a Croatian IT company, IN2 Trace, specializing in pharmaceutical serialization solutions, in April 2017. Orient Green Power (Europe) owned by Orient Green Power (Chennai) invested in construction of wind power plants near Sibenik in 2011. Infosys Engineering Delivery Centre was officially opened (Karlovac) in 2017 after taking over GE engineering operations, with 100 qualified engineers, making it the main near shore Centre for Europe. JGL, a Croatian pharmaceutical company signed two five-year license agreements with Dr. Reddy's in 2017. Croatian-Hungarian trading company A&A BIOENERGY VIRO invested in cogeneration plant for wood biomass of 3 MW electric power output at the Antunovac Entrepreneurial Zone in Virovitica in November 2019. Power plant uses the Indian turbine which was purchased from TRIVENI TURBINES Ltd. (Bangalore, Karnataka) based on shortest delivery deadline and references. TRIVENI TURBINE's employees were present during commissioning and testing of the turbine. The Embassy has been encouraging Indian companies to position themselves in Croatia as it can serve as a gateway not only for entry into the little-known Balkan market estimated at more than 20 million people, but also Western Europe.

As regards investment in India, efforts are being made to encourage Croatia to partner in GOI's socio-economic schemes like 'Make in India', 'Smart Cities', 'Smart ICT', 'Digital India', etc. through their cutting-edge technologies and investments, which can open up significant markets for them not only in India but also for export to South-East Asia, Central Asia and Africa.

Croatian company Altpro, specialist in research, development and production of safety and signaling equipment for rolling stock and infrastructure, signed a contract with Indian company Sigma (owned by Texmaco) for supplying its product "Train Detection System" and ToT. In April 2019, Altpro got the approval from Research Designs & Standards Organisation (RDSO) for exporting its products to Indian market. Altpro has unique technology in the world when it comes to train detections systems and it is exporting its product to over 47 countries.

Croatian engineering major Končar signed several contracts with Indian industrial groups such as Jaypee and Virgo for mutual cooperation. Končar is actively involved in some small hydro power projects in India. It is also in touch with some Indian companies for cooperation in the field of non-conventional sources of energy, particular wind energy. Končar is currently cooperating with Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) and most of its business activities are located in southern India.

Infobip, one of Croatia's leading IT companies, has been doing business with Indian companies since 2009. Founded in 2006, Infobip has grown into one of the world's leading communication platforms for the processing and delivery of SMS messages, push notifications, OTT messages, voice messages and emails for its business clients. Infobip collaborates with some of the largest, leading companies in India and it has offices in New Delhi, Mumbai, Bangalore and Pune. Each one of these cities has more inhabitants than that of entire Croatia.

Telegra, Croatian artificial intelligence traffic management company installed Electronic Toll Collection System (ETCS) at one of the highways in India and exported some of Croatian Road Traffic Signalling Equipment to India. Telegra's current business activity in India is maintaining this ETC system.

MM Farmachem, the Croatian pharmaceutical company has been doing business with Indian companies since 2004. It has office in Hyderabad and it employs 10 Indian workers. It imports API (Active Pharmaceutical Ingredients) from India and supplies to South-East Europe. It also obtains, for its buyers, all necessary documentation regarding registration of the medicines in the particular country.

Kanaan, Croatian food processing company is in touch with Indian company SV Agri for cooperation in the field of agriculture, particular in the ToT regarding planting of "seeds potatoes".

According to latest available figures published by Croatian National Bank, Indian total direct investment into Croatia, during the period 2001- Q3 2018, amounted to Euro 29.74 million, while Croatia had Euro 5.55 million of direct investment into India in the same period. Although Croatian economy is relatively small with limited prospects for outward FDI, there is potential for collaboration in complementary sectors like infrastructure, defence, tourism, automotive, construction, ship-building, renewable energy, agro processing, IT and pharmaceuticals.

The "Bilateral Economic Cooperation Agreement" signed between Smt. Nirmala Sitharaman, MOS(IC) for Commerce and Industry, and Croatian Minister of Economy, Ms. Martina Dalic in February 2017 has given an impetus to trade and investment ties. Pursuant to this agreement, the first India-Croatia Joint Business Council has been set up, comprising of leading corporate leaders and academics.

Hon'ble President of India H.E. Shri Ram Nath Kovind, visited Croatia in March 2019. A 35-member business delegation consisting of members from Associated Chambers of Commerce and Industry of India (ASSOCHAM), Federation of Indian Chambers of Commerce and Industry (FICCI) and Confederation of Indian Industry (CII) also visited Croatia on the occasion. The India-Croatia Business Forum and B2B meetings were held in coordination with the Croatian Chamber of Economy (CCE). The occasion was also used for signing MOUs between the Croatian Chamber of Economy and FICCI, ASSOCHAM, CII.

### **Cultural Relations**

India has been well known in Croatia for centuries, and the earliest Croatian visitors to India were Missionaries. Links have been found between the Principality of Dubrovnik and Goa, and the Church of Sao Braz was reportedly built by Croatians around 1563 in Goa. Ivan Filip Vezdin, a Croat, is credited with publishing the first printed Sanskrit grammar in 1790, and plaque to commemorate him was unveiled in Trivandrum in 1999.

In contemporary times, a Department of Indology has been functioning at the University of Zagreb for more than 50 years. There is also widespread interest in Yoga and Ayurveda in Croatia. There are several India-oriented cultural Societies in Croatia, comprising mostly of Croatian nationals, such as Yoga in Daily Life, Art of Living, ISKCON,



Bhakti Marga, Vedic Centre, LOTOS India Culture Centre and Sathya Sai. A number of Croatian students have learnt various forms of Indian classical dance in India under ICCR scholarships as well as on self-financing basis. In response to demand for Hindi, a Hindi Chair was set up by ICCR in 2009 at the Indology Department of the University of Zagreb, which was renewed in 2019 during visit of Rashtrapatiji to Croatia. Similarly, an MoU was signed during Rashtrapatiji's visit to Croatia in 2019 for establishment of a Sanskrit Chair in the Indology Department of the University of Zagreb, which will start from Winter Semester 2020. The Indology Department has been active in promoting Sanskrit and Hindi in Croatia. Croatian troupes also participate from time to time in cultural festivals in India.

A Cultural Exchange programme for the period 2019-22 was signed during the October 2018 visit of former Croatian DPM and Minister of Foreign and European Affairs Ms. Marija Pejcinovic Buric to India.

Numerous events are organized on a regular basis by the Embassy to showcase Indian culture in Croatia. Among recent activities, a regional seminar on Hindi teachings in Europe was held in February 2019 as part of World Hindi Day celebrations, with participation of scholars from across Croatia as well as from Poland, Hungary and Bulgaria, etc. Multi-faceted 'India Day' events are organized in various provinces periodically, including Yoga workshops, screening of films, exposure to Indian cuisine, exhibitions on various themes, planting of peace trees, etc. Since 2016, a tradition has commenced of taking out the annual 'Ratha Yatra' in downtown Zagreb, to replicate the age-old ancient tradition of Odisha. Mr. Veljko Kajtazi, President of India-Croatia Friendship Group in the Croatian Parliament, visited India in March 2018 at ICCR's invitation.

Annual International Day of Yoga celebration attracts large participation and celebrations were held across 40 cities in Croatia in June 2019. First International Yoga Science Conference was held in Zagreb on 16 June 2019 with participation of Yoga teachers, scientists and experts from Europe, USA and Russia. The 7<sup>th</sup> International Vedic Conference was organized by the Indology Department of Zagreb University in Dubrovnik on 19-24 August 2019. Mahatma Gandhi bust, donated by ICCR during Rashtrapatiji's visit in March 2019, was unveiled by Croatian PM and Mayor of Zagreb at the famous Bundek Park in Zagreb on 2<sup>nd</sup> October 2019 to mark Gandhi@150. Mission organized various seminars, exhibitions, events, publicity activities, etc. throughout 2019 to celebrate Gandhi@150 and 550<sup>th</sup> Birth Anniversary of Guru Nanak Devji. As part of Festival of India (FOI) in Croatia in 2019, four Indian dance troupes, sponsored by Ministry of Culture, performed in 12 cities across Croatia. As part of FOI, Food Festival of India is being organized in Croatia in February 2020 with the participation of 2 eminent Chefs from India. A 10-member Kalaripayattu martial dance troupe from Kerala is participating in the famous Rijeka Carnival in February 2020.

Four journalists from reputed Croatian print/electronic media visited India on a familiarization visit sponsored by XPD Division from 30 November-5 December, 2019. Croatian nationals are availing scholarships under various GOI programmes like ITEC, ICCR, KHS, FSI's PCFD & ASEM programmes. Similarly, an important milestone in India-Croatia sports cooperation was the recent appointment of Croatia's famous footballer Igor Stimac as the head coach of Indian national football team for a two year term starting from 15 May 2019.

## Indian Community

The Indian community in Croatia is small, numbering around 75. Of these, around 25 are PIOs. From time to time, workers from India come on short-term contracts.

Indian tourists to Croatia have been increasing sharply over the last few years, but with Croatia in the queue to join the Schengen Zone, visa issuance process is cumbersome (however, dual / multiple entry Schengen visa holders can enter Croatia without a Croatian visa).

### Useful Resources:

Embassy of India, Zagreb-Website: <http://www.indianembassyzagreb.gov.in/>

Embassy of India Facebook Page: <https://www.facebook.com/Indiaincroatia/>

Embassy of India, Zagreb-Twitter: [https://twitter.com/India\\_Croatia](https://twitter.com/India_Croatia)

Embassy of India, Zagreb-Instagram: [https://www.instagram.com/india\\_in\\_croatia/](https://www.instagram.com/india_in_croatia/)

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