

Embassy of India

Lisbon

Brief on India-Portugal Relations

India's relations with Portugal remain close and friendly. Relations between India and Portugal began amicably in 1947 after India's independence and diplomatic relations were established in 1949. Bilateral relations however went into decline after 1950 over Portugal's refusal to surrender its enclaves of Goa, Daman Diu and Dadra and Nagar Haveli on India's west coast. By 1955, the two nations had cut off diplomatic relations, triggering a crisis which precipitated the liberation of Goa by Indian military forces, ending Portuguese rule over Indian enclaves in 1961. It brought to an end, 451 years of Portuguese overseas provincial governance in Goa. With the signing of a treaty in New Delhi on December 31, 1974, the two Embassies were re-established and amicable bilateral relations were restored.

The two countries today share warm and friendly ties. Portugal and India cooperate actively in multilateral fora including support for each others' candidatures. Portugal is supporting of India's bid for a permanent seat in the United Nations Security Council. In October 2005, Portugal extradited Abu Salem and Monica Bedi to India facing terror charges in India. This is the first extradition from any European nation to India. On October 9, 2015, Portugal became the first European and western country, and only the fourth outside the East Asia Summit, to sign a Memorandum of Understanding on the Establishment of the Nalanda University in India.

With India emerging as rapidly growing major economy and Portugal increasingly looking at key developing countries like India for enhancing trade and investment since the economic crisis of 2008, both countries are looking to deepen economic engagement. Bilateral trade has been growing steadily over the last few years but remains modest at US\$ 692 mn in 2015-16. Portuguese investments into India amount to US\$ 36.4 million and Portugal ranks 56th in terms of the overall FDI inflow into India. With Portugal and India sharing similar priorities in terms of boosting domestic economic growth, investment, employment, industry and innovation, there are several sectors with complementarities where partnerships can be forged to mutual benefit, such as: **infrastructure (roads, ports, inland waterways), renewable energy (wind and solar), ICT (Start Ups), Water & Waste Management, Agro-Processing, Tourism and Hospitality.**

Political Relations

Political relation between India and Portugal are warm and friendly. The election of Mr Antonio Costa, who is partially of Indian origin, as the Prime Minister of Portugal in November 2015, has the potential to energise bilateral relation. The inception of the India-EU Summit in June 2000 and the convening of the first India-EU Summit Meeting in Lisbon is noteworthy. The political relationship has been reinforced by exchanges at the highest level. President Anibal Cavaco Silva visited India in January, 2007. Prime Minister Jose Socrates visited India in December, 2007 for the 8th India-EU Summit in New Delhi, during the Portuguese Presidency of the European Union. Dr. Mario Soares visited India twice as the Prime Minister to attend the funeral of Prime Minister Indira Gandhi in 1984 and as President and Chief Guest of India's Republic Day in 1992. From the Indian side, Prime Minister Atal Bihari Vajpayee visited Portugal for the first India-EU Summit in Lisbon in June, 2000. President K. R. Narayanan visited Portugal in 1998 and President Venkataraman in 1990.

Ministerial visits from Portugal

Ministerial visits to India from Portugal include: visit of Dr. Paulo Portas, Foreign Minister, on March 5-8 2013; Dr. Rui Machete, Foreign Minister, on November 10-12, 2013 to attend the 11th ASEM Foreign Ministers Meeting Affairs; Dr. Jorge Moreira da

Silva, Minister of Environment, Spatial Planning and Energy, and Mr. Artur Trindade, Secretary of State for Energy, to attend the 14th Delhi Sustainable Development Summit on February 5-8, 2014. Dr Teresa Ribeiro, Secretary of State of foreign Affairs and Cooperation visited India from November 24-25, 2016 and held meetings with MoS for Foreign Affairs M.J Akbar, Defence Minister Manohar Parrikar and Minister of Agriculture and Farmers Welfare.

Recent Ministerial visits from India to Portugal include: visit of Dr. Shashi Tharoor, Minister of State for External Affairs to attend the 5th Ministerial Conference of the Community of Democracies (CoD) in Lisbon on July 11-12, 2009 and Shri Vayalar Ravi, Minister for Overseas Indians Affairs from October 9-11, 2011. Minister of State for External Affairs & Overseas Indian Affairs Mr V.K Singh visited Portugal to attend the 8th Horasis-India Meeting held on July 3-4, 2016 in Cascais. On the sidelines of the Horasis-India meeting, Minister of State Gen. V. K. Singh held meetings with Minister of Foreign Affairs Dr. Augusto Santos Silva, Minister of Economy Dr Manuel Cabral and Secretary of State for International Cooperation Dr. Teresa Ribeiro.

Parliamentary Visits

Portugal has a cross-party 'India- Portugal Parliamentary Friendship Group' which was reconstituted after the Parliamentary election in October 2015. On the Indian side too, a similar reconstitution is under review.

A 4-member Parliamentary delegation led by the Speaker of Portugal, Dr. Joao Bosco Mota Amaral, visited India in 2003. From India, a 16-member parliamentary goodwill delegation led by the Minister for Parliamentary Affairs and Information and Broadcasting, Shri Priya Ranjan Dasmunshi, visited Portugal on November 6-7, 2007. The Speaker of the Punjab Legislative Assembly, Dr. Charanjit Singh Atwal, visited Lisbon from May 10-14, 2015. A 12-Member Parliamentary Goodwill delegation led by Minister of Parliamentary Affairs & Minister of Chemical and Fertilizers visited Portugal from October 16-19, 2016 and had meetings with the President of the National Assembly Dr Ferro Rodrigues, Secretary of State for Parliament Affairs Dr Pedro Nunos and Secretary of State for European Affairs Dra Margarida Marques.

MOUs between India and Portugal- Some important existing bilateral agreements/MoUS are: MoU on Avoidance of Double Taxation Agreement (1988, Protocol Amending the existing MoU on double taxation Avoidance is being updated now), Agreement for cooperation in Science & Technology (1998), Agreement on Economic and Industrial Cooperation (2000), Bilateral Investment Protection Agreement (BIPA- 2002, Under review), Treaty of Extradition (2007), Agreement on Social Security Convention (2013), MoU on the establishment of Nalanda University (2015), MoU on Joint Issue of Stamps (2015), Agreement on gainful employment of diplomatic spouses (2016).

Institutional dialogue mechanisms

The India-Portugal Joint Commission on Economic Matters was instituted in 1977 and has met thrice so far; the last meeting was held in New Delhi in December 2006. The third session of the India-Portugal JCM was co-chaired by Rahul Khullar, Additional Secretary, Department of Commerce, GOI and Mr Helder Oliveira, Director General for Enterprises, Ministry of Economy, Portugal. Deputy Director General Dra Verginia Pina in Ministry of Foreign Affairs visited India to hold bilateral meeting with Joint Secretary (FT-Europe) Ms Anita Pravin, Dept of Commerce, on November 22, 2016 to discuss the roadmap for next JCM on Economic matters which is proposed to be held in the first quarter of 2017. Foreign Office Consultations were last held in Lisbon on July 26, 2005. FOC is being held on December 13, 2016 in Lisbon and FOC will be co-chaired by Secretary (West) Ms Sujata Mehta and Dr Lopes, Director General for Foreign Policy from Portuguese side.

Bilateral S&T cooperation is being actively fostered between the two countries under the Agreement for Cooperation in Science and Technology signed on December 3, 1998. The cooperation is being pursued through an Indo-Portuguese Joint S&T Committee (JSTC) and a Programme of Cooperation in Science and Technology (POC) concluded from time to time for a specified period. The POC facilitates bilateral cooperation between the scientific communities of India and Portugal by way of joint research projects, bilateral workshops, and exchange of young scientists in the fields of Ocean Science & Technology, biotechnology, nano-technology, Earth, etc. The 4th session of the JSTC was held in New Delhi on May 08, 2013. The next meeting of the JSTC (5th session) is proposed to be held in the first quarter of 2017.

Bilateral Trade- Bilateral Trade has been growing steadily during the past few years. However, 2014-15 saw a decline in bilateral trade by -19.18% with respect to 2013-14. Bilateral trade last year (2014-15) further fell by- 11.43% with total trade standing at US\$ 692.19 million. Total exports from India to Portugal amounted to US\$ 589.64 million and total imports from Portugal stood at US\$ 102.55 million, the trade balance remaining in favour of India. The dip in bilateral trade could be seen as a reflection of the slowing down of the European economy and India's overall trade (India's global imports also fell by 15.04% and exports by 15.57% during this period. Indian exports to the EU also declined by 9.7% and imports by 10.8% during this timeframe). A table showing year-wise trade figures is below:

(Indian exports and imports in US \$ million, Source- DGFT)

Year (April-March)	2011-2012	2012-2013	2013-2014	2014-2015	2015-1016
EXPORTS	525.27	528.46	647.00	636.43	589.64
IMPORTS	303.62	378.21	349.98	145.05	102.55
TOTAL TRADE	828.89	906.67	1.00 bn	781.48	700
PERCENTAGE GROWTH		9.38	6.65	-19.18	- 11.43

Major articles of export from India include: Cotton; Fish & Crustaceans; Iron and Steel; Machinery and Mechanical Appliances; Footwear; Plastics and articles; Man-made fibres; Organic Chemicals etc. Major articles of import from Portugal are Machinery and Mechanical Appliances; Electrical machinery and equipment; plastics; organic chemicals; copper and articles; paper; raw hides and skins etc.

On June 3, 2015 a Joint Venture agreement was concluded between Portugal's Visabeira Group and Vindhya Telelinks Limited, creating a new joint venture company, Birla Visabeira Private Limited that plans operations both in India and third countries. On October 27, 2015, the World Trade Centre Mumbai and the Portuguese Indian Chamber of Commerce also concluded a MoU.

Jet Airways organized a Roadshow in Lisbon in June 2016 to promote India as a niche tourist destination and explore the possibility of a direct flight. A trade delegation anchored by the Sports Goods Export Promotion Council (SGEPC) visited Portugal from November 14-15 and held Buyer Seller Meets and B2B meetings.

In terms of institutionalised agreements, a bilateral Agreement on Trade, Economic, Industrial and Technical Cooperation was signed in 1977, to facilitate and enhance trade. An Agreement on Economic and Industrial Cooperation was signed in April, 2000. A Cooperation Agreement between the Federation of Indian Chamber of

Commerce and Industry (FICCI) and the Portuguese Foreign Trade and Investment Agency (AICEP) was signed in 1992. A Cooperation Agreement between the Confederation of Indian Industry (CII) and the Portuguese Association of Industries (AIP) was signed in 1995 to strengthen trade and investment.

Portuguese Investments in India

Portugal ranks 56th in Foreign Direct Investments to India, with total FDI inflows amounting to USD 36.49 million (*as on 31 March 2016*). Major Portuguese investors in India are: **Martifer (Porto)** in the Metals Manufacturing sector; **Efacec (Oeiras)** in Industrial Machinery, Equipment & Tools sector; **Euroamer Garuda**, a subsidiary of **Euroamer (Lisbon)**, a Construction project in Bangalore in the Real Estate sector; **Sodecia's** acquisition of the Indian Automotive Ancillary Services Group in 2011; **Petrotec Group** in production, marketing and providing technical support for equipment and systems for the oil industry's distribution and retail areas; and **Feedback Brisa Highways OMT Private Limited (FBH)** a joint venture between Feedback Infra Private Limited and Brisa, Auto-estradas de Portugal to install efficient toll and safety systems on Indian roads. Inspira Martifer Solar, a joint venture of **Martifer Solar** in the Indian market, has installed its **first rooftop project** on Mapro Food's **food processing factory in Mahabaleshwar**, India. The rooftop plant has a total capacity of **350 kW** and will produce energy to offset the average consumption of approximately 1,600 inhabitants. It has commissioned a **25 MW solar power plant** in Gujarat.

Indian Investments in Portugal

Portugal has initiated a Golden Visa scheme to attract non-European investors to Portugal. It provides foreign entrepreneurs residency permit in Portugal for one year, renewable for successive periods of two years and can lead to a permanent residence permit or even Portuguese citizenship after six years as long as the entrepreneur meets three conditions: creation of at least 10 jobs, buying properties worth at least half a million euros or transfer of at least a million euros into Portugal. **The first major foreign investor under the Golden Visa Scheme who was given a residency permit was an Indian Hotelier, N. Muthu** who invested Euro 50 Mn in three hotels in the Algarve region and was awarded the Golden Visa and Resident permit by Portuguese Foreign Minister Dr Paulo Portas during his visit to India in March, 2013. **Other investors from India** include: **Saptashva Solar**, a subsidiary of XL Telecom & Energy in the Renewable energy sector in a Electricity project; **TCS Iberoamerica** in a IT and software services project in the city of Lisbon; **Shakthi Auto component**, a subsidiary of Sakthi Sugars, Chennai with approx US\$ 30 mn investment in an auto component plant in Agueda, and **Suzlon** with an installed base of 49 S.88 model wind turbines at 7 locations in Portugal. Another Indian company **Zomato** has invested Euro 11 million in Portugal.

Education & Culture

A Cultural Cooperation Agreement was signed between the two countries in 1980. Several Cultural Exchange Programmes (CEPs) have been implemented. Three cultural troupes sponsored by the Indian Council for Cultural Relations have visited Portugal since June 2014. A Protocol on Cooperation in the Field of Archives Between India and Portugal was signed on March 11, 2014 in New Delhi. The Embassy of India Lisbon in association with Conrad Algarve and Art Catto Galary organized **Spirit of India Festival** from March 31- 8 April 2016 where artists (painters) and folk dancers from India participated. 14-member contemporary Dance group led by Shri Astad Deboo visited Portugal from October 4-8, 2016.

An Education Exchange Programme (EEP) between India and Portugal for the years 2007-2010 was signed in 2007. The EEP has been extended for another three

years from 2016-19. Both sides are considering a new **MOU on Cooperation Programme in the fields of Language, Education, Science, Technology, Culture, Sports, Youth and Media, for 2016-19** in place of the existing EEP. Under the EEP, Portugal has also proposed to send **Dr. Celia Guido Mendes** as **visiting Portuguese faculty** at the Department of Germanic and Romance Studies in Delhi University for the academic year **2016-17**.

A **Centre for Indian Studies in the University of Lisbon** was inaugurated by Portuguese Foreign Minister Dr Augusto Santos Silva on April 22, 2016. It is the first centre in any university or think tank in Portugal dedicated to the study of India. The Centre hosts a Distinguished Lecture series under its annual Specialization course on Indian Studies and Hindi learning. So far, 240 students have enrolled in the Hindi Language programme. The Indian Council for Cultural Relations (ICCR) also offers 2 scholarships for a Masters degree and the Kendriya Hindi Sansthan in Agra, has provided 2 scholarships for study of Hindi in India to Portuguese students in 2015-16.

Tourism & Sports

Total number of visas issued from 1st January 2016 till 30th November 2016 is 4990 in which 3711 tourist visas were issued in the first 11 months of 2016. Electronic Tourist Visa facility has been extended to Portuguese nationals since 27 November 2014 and is expected to further increase tourist flows into India. Architectural restoration, hotel industry, tourist services, maintenance of heritage sites and tourism infrastructure are areas of Portuguese expertise and sectors of potential bilateral collaboration. Given that hotels and tourism sector in India is now open to 100% FDI, this could be a thrust area for Portuguese investments.

Portugal participated in the third Lusofonia Games held in Goa from January 18-29, 2014. SPORTING and BENFICA, the two premier soccer clubs in Portugal offer several opportunities for tie-ups in Soccer coaching and training with Indian soccer clubs and other partners.

Indian Community

Portugal has a large Indian origin diaspora with the Indian community in Portugal estimated at **65,000**. According to the GOI High level Committee Report on Indian Diaspora of 2002, there are about **33,000 Hindus, 15,000 Goan Catholics, 12,000 Sunni Muslims, 8,000 Sikhs and 5,000 Ismailis in Portugal**. The migration of the community took place in two streams: firstly direct movement from India, in smaller numbers from Goa, Daman and Diu before 1961; and thereafter, in a pronounced flow after 1961, **mostly of Gujaratis**, from Portugal's former African colonies, particularly Mozambique and Angola, at the start of the decolonization process in Africa in 1975. An estimated 7,500 people of Gujarati origin live in Portugal now. According to Portuguese government figures, in 2015 there were 6,935 Indian nationals in Portugal. Under the 'Know Goa' Programme sponsored by the Government of Goa, three Goan diaspora youth in 2015 and two youth in 2016 visited Goa to reconnect with their roots. Under MEA's 'Know India' Programme for diaspora youth, the Mission has recommended applications of two diaspora youth from Punjab to travel to India from October 1-25 2016 to rediscover India and the state of Punjab.

Embassy of India, Lisbon, in association with the Portuguese Yoga Confederation, organised a memorable celebration of the International Day of Yoga in Lisbon in 2015 and in 2016. Portuguese Postal Service released a postcard on 21 June, 2015 to commemorate the first International day of Yoga. Padma Shri Jagat Guru Amrta Suryananda Maha Raja, President of Samkhya and Portuguese Yoga Conferderation has actively participated in the first International Day of Yoga celebration in June, 2015.

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