

India-Israel Relations

Political Relations

India announced its recognition of Israel on September 17, 1950. Soon thereafter, the Jewish Agency established an immigration office in Bombay. This was later converted into a Trade Office and subsequently a Consulate. Embassies were opened in 1992 when full diplomatic relations were established.

Since the upgradation of relations in 1992, defence and agriculture formed the two main pillars of our bilateral engagement. In recent years, relations have seen rapid growth across a broad spectrum of areas and the future vision of the cooperation is of a strong hi-tech partnership as befits two knowledge economies.

Political ties between the two countries are friendly. The last visit at the level of President/Prime Minister was by the then Israeli Prime Minister Ariel Sharon who visited India on a state visit in September 2003. During the visit the *Delhi Statement on Friendship and Cooperation between India and Israel* was signed. Then External Affairs Minister Shri S M Krishna visited Israel in 2012, which marked the 20th anniversary of establishment of full diplomatic relations between India and Israel. Increased high-level exchanges and ministerial visits on both sides have expanded cooperation in different functional areas such as trade, agriculture, S&T, culture and security.

Economic and Commercial Relations

From US\$ 200 million in 1992 (*comprising primarily trade in diamonds*), bilateral merchandise trade has diversified and reached US\$ 5.19 billion in 2011. However, the past few years have seen a decline in total trade due to the global economic recession. In 2013, the bilateral trade stood at US\$ 6.01 billion (*Source: Dept. of Commerce, GOI*) with the balance of trade in Israel's favour. Trade in diamonds constitutes over half of bilateral trade. In 2013, India was Israel's tenth largest trade partner overall, and Israel's third largest trade partner in Asia after China and Hong Kong. In recent years, the bilateral trade has diversified somewhat with the inclusion of several sectors such as pharmaceuticals, agriculture, IT and telecom, and homeland security. Potash is a major item of Israel's exports to India, with India buying a significant percentage of its requirement from Israel. Major exports from India to Israel

include precious stones and metals, chemical products, textiles and textile articles, plants and vegetable products, and mineral products. Major imports by India from Israel include precious stones and metals, chemicals and mineral products, base metals and machinery and transport equipment. The total bilateral trade in services was about US \$ 407 million in 2012. India's services exports to Israel were about US\$ 317 million, of which US\$ 162.6 million was in R&D services. In recent years, Israel has taken a strategic decision to strengthen economic relations with China and India.

Free Trade Agreement

Since 2010 the two sides are negotiating an FTA covering trade in goods and services and the eighth round was held in Israel in November 2013.

Investment

During April 2000-November 2013, Israel ranked 43rd among foreign direct investors with FDI into India of US\$ 73.7 million. The data does not capture FDI flows from Israel to India that flow through USA, Europe and Singapore. Israeli companies have invested in India in energy, renewable energy, telecom, real estate, water technologies, and are also setting up R&D centres or production units in India.

While official data about India's investment in Israel is not available, significant investments from India in Israel include 100% acquisition of Israeli drip-irrigation company Naandan by Jain Irrigation, Sun Pharma's 66% stake in Taro Pharmaceuticals and Triveni Engineering Industries' investment in Israeli waste-water treatment company Aqwise. TCS started operations in Israel in 2005, and the State Bank of India opened a branch in Tel Aviv in 2007.

Agriculture

India and Israel have a bilateral agreement for cooperation in agriculture. Under the bilateral Action Plan for 2012-2015, agricultural cooperation has been expanded to seven states including Haryana, Maharashtra, Karnataka, Rajasthan, Gujarat, Tamil Nadu and Punjab. Around ten India-Israel Centres of Excellence for cooperation in agriculture have been set-up so far, of the thirty centres that are expected to be established by 2015.

India has benefited from Israeli expertise and technologies in horticulture mechanization, protected cultivation, orchard and canopy management, nursery management, micro-irrigation and post-harvest management particularly in Haryana and Maharashtra. Israeli drip irrigation technologies and products are now widely used in India. Some Israeli companies and experts are providing expertise to manage and improve dairy farming in India through their expertise in high milk yield.

Defence & Security

India imports critical defence technologies from Israel. There are regular exchanges between the armed forces. The last major visit from the Indian side was that of the Chief of Army Staff and Chairman of Chiefs of Staff Committee General Bikram Singh (*March 2014*). Four Indian naval ships from the Western Fleet made a port call in Haifa in Aug 2012.

There is cooperation on security issues and there is a Joint Working Group on Counter-Terrorism that meets periodically. In February 2014, India and Israel signed three important agreements on Mutual Legal Assistance in Criminal Matters, Cooperation in Homeland and Public Security, and Protection of Classified Material.

Cooperation in S&T

India-Israel cooperation in S&T has evolved on two tracks. There is joint research by S&T institutions under an S&T Cooperation Agreement signed in 1993. Secondly, under an MOU on Industrial Research and Development Initiative signed in 2005, a joint industrial R&D fund i4RD was set up to promote bilateral industrial R&D and specific projects. Under i4RD, joint projects by the industry are funded, involving at least one Indian and one Israeli company. Since the launch of this programme in 2006, seven projects have been approved. On May 7, 2013 Karnataka State Council for Science and Technology and the Karnataka Science and Technology Promotion Society signed an MoU with Israel's MATIMOP, the Israeli Industry Center for R&D, for industrial R&D partnership. Through the program, industries may seek financial support through partner matching and funding for joint bilateral R&D projects, involving at least one small/medium scale company of

Karnataka and one Israeli company. MATIMOP is discussing similar programmes with Gujarat and Rajasthan.

In January 2014, India and Israel held extensive discussions to establish an India-Israel Cooperation Fund aimed at promoting innovations through joint scientific and technological collaborations. The Fund is envisaged to have a total corpus of US\$ 40 million over a period of five years, with each side contributing US\$ 20 million. On the Indian side, the Department of Science and Tehnology is the nodal Deaprtment.

Both sides are also discussing a joint fund for Industrial R&D in IT and electronics. The GOI has announced a contribution of US\$5 million towards this fund.

Tata Industries and Ramot, Tel Aviv University (*the University's technology transfer company*) have entered into an MoU to fund and generate commercialisation-ready technologies in a wide range of fields, including engineering, exact sciences, environment and clean technology, pharmaceuticals and healthcare. Under the MoU, Tata Industries, with an investment of US\$ 5 million, will be the lead investor in Ramot's US\$20 million Technology Innovation Momentum Fund.

Culture and Education

India is known in Israel as an ancient nation with strong cultural traditions, and in popular Israeli perception, India is an attractive, alternative tourist destination. Israeli youth are particularly attracted to India. India is a destination of choice for over 40,000 Israelis who visit India every year for tourism and business. Over 40,000 Indians visited Israel in 2013, the largest number of tourists from an Asian country. They are mostly pilgrims who visit the holy sites.

Several courses related to India are taught at Tel Aviv University, Hebrew University and Haifa University. India has signed an MoU with Tel Aviv University for a Chair for Indian studies in the Department of East and South East Asian Studies under which Indian Professors have been coming for a semester. Some private and public Indian universities have entered into agreements with Israeli universities for faculty exchange under which Israeli professors spend a semester teaching in India.

In May 2013, India and Israel launched a new funding programme of joint academic research, the first round of which will focus on both exact sciences and humanities. Each government is contributing US\$ 5 million annually for five years. The programme will provide support for nearly 50 collaborations providing up to US\$ 300,000 for an experimental project or US\$180,000 for a theoretical project for up to three years. The counterpart organisations are University Grants Commission and the Israel Science Foundation.

Since 2012, Israel offers post-doctoral scholarships to students from India and China in all fields over a period of three years with triennial grants of NIS 100,000. Although no quota is provided for participant countries, in 2013-14, 78 of the 100 fellowships awarded were to Indian students. The Government of Israel has also approved 250 summer scholarships for eight courses for Indian and Chinese students in prestigious Israeli universities like Technion (IIT Haifa), Tel Aviv University, Hebrew University and Ben Gurion University. India offers seven ICCR scholarships and *Know India Scholarships* to Israelis every year.

In 2013, the Naan Dan Jain Irrigation Company instituted two annual scholarships for Israeli exponents of Indian art and culture to continue studies in India. Four Israelis have been awarded the scholarship so far. This year, the Indian diamond community have set up a fund to finance study tours to India of meritorious Israeli students of Hindi.

Indian Community

There are approximately 80,000 Jews of Indian-origin in Israel, most of whom are now Israeli passport holders. The main waves of immigration into Israel from India took place in the fifties and sixties. The majority is from Maharashtra (*Bene Israelis*) and relatively smaller numbers from Kerala (*Cochini Jews*) and Kolkata (*Baghdadi Jews*). In recent years some Indian Jews from North Eastern states of India (*Bnei Menache*) have been immigrating to Israel. While the older generation still maintains an Indian lifestyle and their cultural links with India, the younger generation is increasingly assimilated into Israeli society.

Shri Eliyahu Bezalel hailing from Chennamangalam, Cochin has distinguished himself as an eminent agriculturalist and became the first Israeli of Indian origin to receive *Bhartiya Pravasi Samman* in 2005. Sheikh Ansari,

who manages the Indian Hospice in Jerusalem, a unique Indian connection to the Holy City, was honoured with the *Pravasi Bharatiya Samman* in 2011.

In 2013, the Indian Embassy in Tel Aviv facilitated the first-ever National Convention of Indian Jews in Israel that was held on September 23, 2013 in Ramla. The event brought together nearly 5,500 people from all the four major groups of Indian Jews.

There are about 10,000 Indian citizens in Israel, of whom around 8,000 are care-givers. Others are diamond traders, some IT professionals, students and unskilled workers.

Useful Resources

For more information and latest updates please visit

Embassy of India, Israel website:

<http://www.indembassy.co.il/>

Embassy of India, Israel Facebook:

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

Embassy of India, Israel Youtube:

<https://www.youtube.com/user/Indianembassytelaviv>

Embassy of India, Israel Flickr:

<https://www.flickr.com/photos/indembtelaviv/sets>

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