

India – Romania Relations

India and Romania established diplomatic relations in 1948, and raised it to Ambassadorial level in 1968. However, contacts between the two countries and civilizations pre-date this. Transylvania born philologist Alexander Csoma de Koros travelled to India in 1820, and lived for many years in Zanskar and Calcutta (he is buried in Darjeeling). Romania's national poet Mihai Eminescu was attracted to Indian languages and literature and translated a book on Sanskrit grammar into Romanian from German. Eminent Romanian philosophers and poets, like Bogdan Hasdeu, George Cosbuc, and Lucian Blaga, were deeply influenced by their encounter with Indian thought, and this found reflection in their works, Prince Carol II toured India for five months in 1920. Rabindranath Tagore visited Romania in 1926 and received a doctorate *honoris causa* from the University of Bucharest. Mircea Eliade spent four year (1928-1932) studying philosophy and Sanskrit at Calcutta University. The sculptor Constantin Brancusi was inspired by Indian motifs and visited India in 1937 to execute a commission for the Maharaja of Indore.

Political Relations

Bilateral political relations between India and Romania are warm and friendly. The establishment and deepening of democracy in Romania since the 1989 Revolution which overthrew the communist regime, has brought the two countries closer together in terms of values and aspirations. India and Romania have in the past supported each other on multilateral issues and worked in tandem at the UN. Foreign Office Consultations have been instituted to review bilateral relations. The last round of FOC, at DG level, was held in Bucharest on December 14, 2012. The earlier round at Secretary (West)'s level was held in New Delhi in June 2009.

During the visit of Romanian President Basescu to India in October 2006, the Romanian side proposed that a document entitled 'Joint Declaration for Extensive Partnership' be negotiated for signature during the next VVIP visit. This was signed during the visit of the Romanian Foreign Minister to India from March 7-8, 2013.

Bilateral Visits

The state visit of President Traian Basescu to India in October 2006 created many opportunities for enhanced co-operation and understanding and was a turning point in our bilateral relations. Wide ranging discussions were held with the Indian leadership covering almost all aspects of bilateral relations. President Basescu was believed to have been deeply impressed by the reception he received in India as also by the evidence of India's economic transformation. He visited New Delhi, Agra and Mumbai.

The 17th Session of the India-Romania Joint Economic Commission co-chaired by MOS(C&I) Mr. Jyotiraditya M. Scindia and Romanian Minister for Economy, Trade and Business Environment Mr. Ion Arton was held on February 1-2, 2012 in Bucharest and was preceded by the JWG on Petroleum & Natural Gas and JWG on SMEs.

H.E. Mr. Titus Corlatean, Romanian Foreign Minister visited India from March 6-8, 2013 and met EAM and MOS(PK). An Agreement on Extended Partnership was also signed. In addition the DTAA was also signed during his visit. He visited Delhi again

from November 11-13,2013 for participation in 11th ASEM Foreign Minister's meeting and met EAM.

Mrs. Grapini, Minister delegate for SMEs/Business Environment/Tourism visited India from April 19-21,2013. She called on MOS for Textiles Ms. Purneswari . An agreement on Cooperation in the field of Textiles was also signed with Secretary (Textiles) Mrs. Zohra Chatterjee.

Mr. Sorin Encutescu (SE), State Counsellor for Defence & Security Issues (Deputy NSA) in the PM's Office visited India from 23-29 November 2014 and interacted with Deputy NSA, Secretary (Defence Production) in MOD and other senior officials in MOD.

The last significant visit from MEA to Romania was that of Smt Preneet Kaur, Minister of State for External Affairs, who visited Romania for bilateral consultations in April 2010. The only high level visit that has taken place from India to Romania in the last decade is that of the then Vice-President Shri Bhairon Singh Shekhawat in October 2005.

Minister of State in the Ministry of Women and Child Development, Mrs. Krishna Raj paid a goodwill visit to Romania, 12-16 November 2016 and had wide ranging discussions with Romanian Ministries of Foreign Affairs, Education and Scientific Research, Youth and Sport, Labour, Family, Social Protection & Elderly. She also had a very fruitful meeting with the President of the National Roma Agency of Romania, Mr. Daniel Vasile.

Parliamentary Visits

An Indian Parliamentary delegation led by Smt. Sushma Swaraj, Minister of Parliamentary Affairs and Health and Family Welfare visited Romania in June 2003. President Shri Pranab Mukherjee was part of this delegation. Romanian Senate President Vacaroiu led a multi-party delegation to India in December 2003.

The Romanian Parliament has created its friendship group for India. Mrs. Ana Birchall, Chairperson of Romania-India Parliamentary Friendship Group visited India from April 22-25, 2013.

An all party parliamentary delegation led by Mr.Zgonea, President of the Chamber of Deputies of Parliament of Romania visited India during December 6-12, 2014. He called on the Vice President of India, Speaker of Lok Sabha, Minister for Parliamentary Affairs and Urban Development, MOS for External Affairs(VK), MOS for Commerce and Industry.

Trade and Economic Cooperation:

Historical background – Bilateral cooperation in the past covered projects in India in petroleum, petrochemicals, power and metallurgy. Romania was involved in projects in oil refinery at Guwahati and Bihar, the thermal power plant in Singareni, the Mangalore palletising plant, the Durgapur agglomeration plant and the Hyderabad tractor plant. From 1959-1992, bilateral trade with Romania was conducted on the basis of a clearing system. In 1993, an Agreement on Trade and Economic Cooperation

envisaging mutual MFN treatment and trade in hard currency was concluded. Existing bilateral institutional mechanisms to promote trade and economic cooperation emanate from the Joint Economic Committee at the Government level which replaced the Joint Commission and Joint Business Council [JBC] at the level of businessmen.

Bilateral Trade between India and Romania:

India-Romania trade which declined in the 1990s revived after 2003. Following the worldwide recession, there was a decline in bilateral trade in 2009-10 from which it has been recovering slowly. However, there exists considerable potential for increase in the bilateral trade which is hovering around US\$ 600-800 mn mark. India-Romania trade statistics over the last three years is as follows:

Trade data	2013-14	2014-15	2015-2016
Exports from India	286.10	416.79	259.32
Imports by India	375.65	296.45	208.85
Total	661.75	713.24	468.17 (March 16)

(Department of Commerce, Govt. of India statistics in US\$ million)

Main Indian exports to Romania included electric machines, devices & equipment, common metals, chemical and allied industries products, plastic and rubber materials, textiles, food products, beverages and tobacco, vegetable products, paper and cardboard and its scrap, articles made of stone, cement, ceramics, glass and optical photographic, cinematographic, medical instruments and devices.

Main Indian imports from Romania Major non-oil imports from Romania during the above mentioned period were Vehicles (other than railway carriages or tramway) and parts thereof, Iron & Steel, organic chemicals, Inorganic chemicals etc, Rubber or Plastic and articles thereof.

Specific sectors/products that have been identified for focus are pharmaceuticals including nutraceuticals and nature-based medicines and medical devices, agriculture and agricultural products and devices, automotives and parts thereof, engineering goods, iron and steel, chemicals, rubber etc. there is potential for import of laser-based technology into India especially in the medical and avionics industries, IT and software, oil exploration and drilling including erection and maintenance of oil rigs offshore.

Indian Investments in Romania:

Major companies like Wipro (IT services and hydraulic cylinders manufacturing with over 1000 employees), Genpact (2700 employees with offices in Bucharest and Cluj-Napoca), SunPharma (formerly Ranbaxy under name of Terapia SA in Romania, in Cluj-Napoca, 780 employees), Dr.Reddy's Labs (trading office in Bucharest with 90 employees, turnover of over US\$ 21 mn), UCO Raymonds (Textile Plant located in Giurgiu County in collaboration with Belgian UCO on 50/50 investment basis, with 170 employees, production of over 7 mn meters of denim /year), Sunwave Pharma (trading in natural medical products with 320 employees and annual turnover of Euro 21 mn),

Thakral Group (IT infrastructure with 1000 seating capacity, also into retailing consumer products to multinational chains, Talent Development through customized training for industry clients), FERCO Group (forest and wood produce export to over 28 countries, Ports, logistics, handling and shipping, annual turnover of US\$ 65 mn), Prodigy (IT software company), Prime Healthcare (trading in medical devices for ICU and Emergency departments in hospitals). Indian-owned capital from Nigeria renovated a metallurgy plant, Transdanube Industries in Oltenita (in agri-sector in south of Bucharest). Evaluserve also has offices in Bucharest and Cluj-Napoca. Other Indian Businessmen own a number of medium-sized establishments in electronics, textiles, trading, restaurant, real estate and construction, handicrafts, yoga and wellness centers in Romania.

Arcelor-Mittal has considerable investments from Europe into Romania. In 2001, the Sidex Steel Plant in Galati was acquired by Shri Laxmi Mittal's Ispat-LNM Holdings (now Arcelor-Mittal SA) for US\$ 65 million. In 2003, Mittal Steel also acquired the "Tepro" company in Iasi, "Siderurgica" steel mill at Hunedoara (for \$ 43 million) and the "Petrotub" pipe-making unit at Roman (for \$ 83 million). The company recently invested Euro 3 mn to upgrade its plant in Galati to increase energy efficiency and to reduce production costs. Its total investments in Romania have since crossed US\$ 100 mn. The company, which once contributed about 5% of Romania's GDP, has since reduced production to about 1/3rd of its highest production due to fall in demand for steel worldwide.

In 2012, Suzlon Group subsidiary, Repower Systems, contracted with P.E.Deus Ex S.R.L. a project company of WSB International GmbH, to supply wind turbines (capacity of 3.2 MW each), for a wind farm project. The company has also founded REpower Systems DTE Romania SRL, a Romanian subsidiary headquartered in Bucharest, marking the company's entry into the Romanian market. Asmita S.A., the Romanian subsidiary of an Indian company, invested Euro 10 million in property and construction in Bucharest in 2005. GHCL Limited, India's leading producer of soda ash acquired a majority stake in S.C.Bega Upsom S.A., the leading soda ash manufacturer in Romanian through its international subsidiary with a controlling stake of 65% in the Romanian firm at US\$ 19.5 million. However, the GHCL-Upsom plant has been inoperative since the beginning of 2010. Indian cinema multiplex operator CineGrand invested US\$ 1.2 mn in Cine Grand Botosani in Uvertura Mall in July 2013.

Romanian investments in India:

Cumulative FDI inflows from Romania into India during April 2000 to May 2015 were in the range of US\$ 7.01 million. Romania ranks 81st in terms of FDI inflows into India. Romanian companies such as Altantia SPA (Infrastructure like roads, bridges, Railways, tunnels, pipelines, Ports, Harbours etc), Saira Seats SAS (specialized parts of railways), Simest SPA (Railway fixtures and fittings), Summer Conf SRL (textiles), Hanna Instruments Romania SRL (Scientific medical and surgical instruments), Omnia Profesional SRL (Data Processing, software and Consultancy), FSS Activ Group SRL (Data Processing, Software), STX RO Electroturcea SRL (electrical installations), Mihaela Carmen Popa (Tourism), Jan Joost Kotte (Aluminum), Chistina Veronica Garlasu (Drugs, Medicines and allied products), have all invested in India. A Turkish owned ball bearings manufacturing company, Rulmentul Berlad, (URB Group), has invested Euro 50 million to set up a factory in Rajasthan with a capacity to manufacture over 1000 tonnes a year, with a turnover of \$200 million in the next 5 years. The

products are for use in Steel industry, Mining, Power, Oil, Railways etc. This will be the 4th facility of the company, with others located in Turkey, Hungary and Romania.

JECs and JWG:

The 17th session of the India-Romania Joint Committee for Economic Cooperation (JEC) was held in Bucharest on 1-2 February, 2012, after a hiatus of eight years. The Indian delegation was led by Hon'ble Minister of State for Commerce & Industry, Shri Jyotiraditya M. Scindia. The Romanian side was led by H.E. Mr. Ion Arton, Minister of Economy, Trade and Business Environment. Both sides agreed to encourage joint ventures and bilateral investments in energy, infrastructure, environment, renewable energy, chemicals and petrochemicals, automotives, engineering goods, machinery and instruments, biotechnology, pharmaceuticals, agriculture and new technologies, and the SME sector. Both sides agreed to improve the bilateral legal framework through signing of the new text of the Convention for the Avoidance of Double Taxation and prevent tax evasion.

Coinciding with the JEC, two Joint Working Groups – one on Oil & Natural Gas (3rd) and the other on SMEs (1st) – were also held in Bucharest. The JWG on Oil & Gas envisaged cooperation in upstream and downstream hydrocarbon sector including in training, capacity building and research and development, supply of equipment for exploration and exploitation of hydrocarbon and other technical assistance. A Protocol for the third JWG on Oil and Natural Gas was signed by the two co-Chairmen. The JWG on SMEs agreed on information sharing, facilitating institutional cooperation; business and trade delegations to explore joint-ventures, technology transfer and investment opportunities. A 11-member business delegation led by FICCI representing oil and natural gas, power equipment, IT, alternative energy, textiles, pharmaceuticals, supply chain management, tourism, transportation sectors also accompanied the JEC delegation and held B2B meetings with members of the Romanian Chamber of Commerce. The next round (18th) of the JEC is being scheduled for the first half of 2016 in New Delhi.

Other visits:

Ms Maria Grapini, Romanian Minister -delegate for SMEs, Business Environment and Tourism, visited India in April 2013 during which an MoU on Textiles was signed. A Textiles delegation led by Joint Secretary (Exports), Ministry of Textiles, visited Bucharest in June 2013 as a follow up on the MoU. During the visit, the first meeting of the India-Romania Joint Working Group (JWG), was held in which both sides agreed that the JWG would be the institutional forum for trade facilitation in textiles sector between India and Romania. A Protocol of the meeting was signed by both sides on the occasion.

A 12 member delegation from Association of Indian Industries, Mumbai visited Bucharest in April 2014 to participate in the General Assembly Meeting of WTC. Representatives from WTC associations of other Indian cities also took part in the meeting. The delegation also held meetings with local Chambers of Commerce and signed MOU for cooperation

A 5 member delegation led by Health Minister of Romania Dr. Nicolae Banicioiu visited India during in January, 2015 to attend PHARMEXCIL Buyer-Seller meet

alongside VIBRANT GUJARAT 2015 in Ahmedabad. During the visit, he interacted with the officials of PHARMEXCIL, Gujarat Chamber of Commerce and Industry, visited production units and Public Healthcare Centers in Mumbai. Agreements with Indian Pharma majors like Cipla, McLeods, Aurobindo and Ranbaxy were also signed. A delegation of 26 members from Indian Pharmaceutical companies led by PHARMEXCIL visited Bucharest from 18-22 February 2015 and met over 20 local entrepreneurs in the field of medicine and medical devices in a B2B arranged by the Mission.

Agreements

The Joint Statement on establishing an Extensive Partnership and the Double Taxation Avoidance Agreement was signed during FM Corlatean's visit on March 8, 2013. The MOUs on Cooperation in the field of Textiles was signed during the visit of Mrs. Maria Grapini, Romanian Minister Delegate for Business Environment, Tourism and SMEs to India from April 22-24, 2013. Agreement for Cooperation in the field of IT is also ready for signature. The MoU between the Atomic Energy Regulatory Board of India and National Commission for Nuclear Activities Control of Romania for the Exchange of Information and Co-operation in the field of Regulation of Nuclear Activities for Peaceful Purposes was signed between India and Romania in Vienna on September 19, 2012. Agreements for Cooperation in the field of S&T, Maritime Transport and Air Services Agreement are under consideration.

Bilateral cooperation under ITEC/PCFD Programme

Candidates from different fields from Romania have been going to India under the ITEC scheme to attend different training modules. Till date Romania has used hundred ITEC slots. Romania has been allotted 5 slots during 2014-2015 of which one has been utilized.

Since 1993, 8 Romanian diplomats have attended the Professional Course for Foreign Diplomats (PCFD) in Foreign Service Institute, New Delhi, last being in 2003.

ICCR scholarships have been utilized successfully by Romanians studying Indian dance, classical and popular music, Classical dances, Hindi, Film TV technology and other academic subjects.

Cultural Cooperation

India and Romania signed a Cultural Agreement in 1957, which provided for cooperation in culture, science, education, literature and arts. Following this Agreement, Cultural Exchange Programme (CEP) were formulated and implemented. More recently, cultural exchanges have also been facilitated via sources outside the official framework for bilateral cooperation. A new CEP (Programme of Cooperation in the fields of Culture, Education, Youth and Sports) between India and Romania for the years 2011-2015 was signed in Bucharest in March 2011. A Romanian ballet troupe visited India in early 2012. Sahitya Akademi has published from Romania under the CEP between the two countries: (i) *Sach Leta Hai Aakar* & (ii) *Jhonpri Wale aur Anya Kahania*.

Embassy of India, Bucharest collaborated with local cultural groups such as Rabindra Nath Tagore Cultural Centre, Bucharest to organise "Namaste India" festival, which was held at Village Museum, Bucharest from May 23-25, 2014. The event has

become an annual affair and has become extremely popular with Romanian and expatriate Indian community.

During May 26-28, 2014 Embassy of India organised three cultural performances in Bucharest by ICCR sponsored Rajasthani Folk Dance Group with the help of sponsorships provided by local Indian companies.

“Kalpana”- An ICCR sponsored painting exhibition of works from 14 famous figurative artists from India was organized at Art Museum, Ploiesti from November 14-20, 2014.

The 2nd International Day of Yoga was organised in four different cities of Romania on 21st June 2016.

Cooperation in Education sector

A Hindi Chair was established by ICCR at University of Bucharest in 1998 and a Hindi teacher from ICCR has been teaching at the University since 2006. A fresh MOU was signed in September 2015 after lapse of the previous MOU. A new Hindi teacher has since joined under the MOU. Since 2003, Hindi language and a course on Indian authors in English are also being taught at the Sapientia-Hungarian University of Transylvania at Miercurea Ciuc.

Indian community

The Indian community in Romania numbers around 950. The majority are students (nearly 250 Indian students attend courses in Romania institutions, mainly pursuing medicine on a self-financing basis at Timisoara, Oradea, Bucharest, Constanta and Lasi). Others are businessmen, professionals and technical specialists. There are four Indian restaurants in Bucharest, one in Timisoara and one in Galati.

Useful Resources:

Embassy of India, Bucharest Website: <http://eoiromania.in/>

Embassy of India, Bucharest Facebook: <https://www.facebook.com/IndiainRomania/>

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