

## India-Venezuela Relations

### Political

India and Venezuela have been maintaining cordial relations. The 50<sup>th</sup> Anniversary of the establishment of diplomatic relations was celebrated in 2009. Resident Embassies have been in Caracas and New Delhi for over three decades and the two countries cooperate in multilateral forums. Venezuela has been elected as the next NAM Chairman in 2015. There is a similarity of views on major international, political and economic issues. Venezuela has emerged as India's third largest oil supplier.

**1<sup>st</sup> JCM:** An MOU on the establishment of an Indo-Venezuelan Joint Commission was signed during President Chavez's visit to India in 2005. Shri Rao Inderjit Singh, former Minister of State (External Affairs), led the Indian delegation for the first session of the Joint Commission in August 2005 in Venezuela. The Joint Commission discussed cooperation in energy, infrastructure, railways, low cost housing, trade, science and technology, culture, poverty alleviation, consumer protection and standards, health, agriculture and defense.

**2<sup>nd</sup> Joint Commission Meeting (JCM):** The 2<sup>nd</sup> JCM between India, led by Shri Salman Khurshid, then Minister of External Affairs and Venezuela led by Mr. Elias Jaua, then Foreign Minister, was held in Delhi on 20 December 2013. 9 Vice Ministers dealing with Petrochemicals, External Trade, Agriculture, Food, Health, Air and Water Transport, Telecommunications, IT & Postal Services, Culture and Education accompanied. EAM said that India greatly valued its relationship with Venezuela which had become the 3<sup>rd</sup> largest supplier of crude oil to India in 2012. EAM said that India was keen to diversify India's relations with Venezuela in other areas of mutual interest. Mr. Jaua said that Venezuela regarded its relationship with India as very important and expressed desire to benefit from India's expertise in Health and Pharmaceuticals, Agriculture and Agro-industry, IT and Software, Education and Culture, and wanted to learn from India's White and Green Revolutions to become self-sufficient in milk and agricultural production. He also expressed Venezuela's interest to have cooperation with the Indian film industry and benefit from its experience.

**President Chavez Death:** The President and Prime Minister of India condoled the passing away of President Hugo Chavez on March 5, 2013. The President of India, Shri Pranab Mukherjee, congratulated Mr. Nicolas Maduro Moros upon his election as the new President of Venezuela. Ambassador Ms. Smita Purushottam represented India at President Maduro's swearing-in ceremony at the National Assembly.

**Important Visits:** The main thrust to the bilateral relationship was imparted by President Chavez's State visit to India during 4-7 March, 2005. He held bilateral talks with then Prime Minister Dr. Manmohan Singh and the then President of India, Dr. A.P.J. Abdul Kalam. Six Agreements/MoUs were signed, including on

setting up of a Joint Commission and cooperation in the hydrocarbons sector. Shri Murli Deora, then Minister of Petroleum and Natural Gas, visited Venezuela in May 2010 to witness the signing ceremony of the Carabobo Oil Project. During Shri Deora's call on President Chavez, President Chavez agreed to supply more crude oil to India. During 2010, Mr. Temir Porras, Venezuelan Vice-Minister for Foreign Affairs for Asia, Middle East and Oceania, visited India twice in May and September and held bilateral discussions with Secretary (West). In response to the devastation caused by rains in Venezuela in 2010, the Government of India gave a cash contribution of US\$1 million to the Venezuelan Government. Shri Jyotiraditya Scindia, then Minister of State for Commerce and Industry, along with a 20-member CII Business delegation, paid an official visit to Venezuela on 8-9 July, 2012. MOS (C&I) held bilateral talks with the Venezuelan Trade Minister, Health Minister, Vice Foreign Minister and Vice President of State oil company (PDVSA), among others, to further deepen and expand bilateral trade and commerce for mutual benefit.

The then Foreign Minister of Venezuela Mr. Nicolas Maduro Moros (now President), visited India to attend the First Meeting of the India-CELAC Troika Foreign Ministers held in New Delhi on August 7, 2012. India was led by then External Affairs Minister (EAM) Shri S.M. Krishna. Mr. Maduro also held bilateral talks with EAM and Minister of Petroleum and Natural Gas.

Shri V.S. Sampath, Chief Election Commissioner of India, and Dr. Alok Sinha, Deputy Election Commissioner visited Caracas from 27 August to 1 September, 2012 to attend an International Seminar on "Innovation and Technological Vanguard: Automated Voting Systems". The election authorities of South Korea, Argentina, Colombia, Peru and Uruguay also participated.

Mr. Rafael Ramirez, then Minister of Petroleum and Mining and President of PDVSA, Venezuela's State Oil Company, visited India and held wide-ranging talks with then Petroleum and Natural Gas Minister Mr. Veerappa Moily, on 24 September 2013, and acknowledged India's huge refining capacity capable of processing medium and heavy crude oil produced in Venezuela. Reliance Industries Limited, which imports about 300,000 bpd of oil from Venezuela for processing at its twin refineries at Jamnagar in Gujarat, expressed its intention of increasing to the contracted level of 400,000 bpd. Indian Oil Corporation (IOC) expressed its intention of importing 0.5 million tonnes immediately and raise it to 1.5 million tonnes when its Paradip refinery is commissioned. HMEL also expressed its intention of importing at least two million tonnes of Venezuelan oil for processing at its Bhatinda refinery in Punjab.

## **Bilateral Trade**

The main items of India's exports are pharmaceuticals, chemicals, calcined petroleum coke (CPC), textiles and engineering products such as scooters, equipment and machinery. The Indian pharma industry has already made a mark and some reputed companies (Sun Pharma, Dr. Reddy's) are operating in

Venezuela. The main items of India's imports from Venezuela are crude oil, iron pellets and electrical cables. Tata Motors entered the market in 2007 with its first consignment of 1000 Indica and Indigo cars. The CII-led Business delegation (8-11 July, 2012) accompanied MOS (C&I) to explore business opportunities with their Venezuelan counterparts in sectors such as petroleum and hydrocarbons, pharmaceuticals, plastics, IT, mining, auto-parts & agro-products.

The Embassy organized an India-Venezuela Business Meet in which several members of Venezuela's auto parts industry participated (30 November, 2012). A highly successful Business Promotion Meet was organized at India House in March 2013 in which more than 50 Venezuelan business-persons from different sectors participated. A Textiles Promotional event was held in November 2013 in which several Venezuelan and Indian importers of Indian textiles and handicrafts participated. A very successful Make in India event was organized at Embassy Residence on 26 Sept 2014 in which a large number of businessmen and diplomatic community participated.

The bilateral trade figures for the past four years are as below:

	(In Million US \$)			
	2010	2011	2012	2013
India's Exports to Venezuela (CIF US\$)	239.118	306.448	355.365	352.720
Venezuela's Exports to India (non-oil) (FOB US\$)	11.483	3.743	4.162	2.907

	2010-11	2011-12	2012-13	2013-14
India's oil Imports from Venezuela	5203.69	6653.12	14105.91	13936.59

Source: Venezuelan National Institute of Statistics & Export-Import Data Bank, Ministry of Commerce & Industry, Government of India.

The Embassy participated in a large international fair, the Gran Bazar Kermesse 2013, organized by Asociacion de Damas Diplomaticas (ADD), in Caracas on 9 June 2013. Embassy also participated in similar Bazar organized by ADD on 2 November, 2014.

**Hydrocarbons:** A bilateral Agreement on cooperation in the hydrocarbons sector was signed during President Chavez's visit in March 2005, along with a MoU offering ONGC Videsh Ltd. (OVL) opportunities for oil and gas exploration in Venezuela, including a heavy oil field in the Orinoco belt, following which OVL opened its office in Venezuela. An agreement between OVL and CVP (subsidiary of PDVSA, Venezuela's national oil company) was signed for the creation of a Joint Venture called "**Petrolera IndoVenezolana SA**" for production and exploration of oil in the San Cristobal field in which OVL has a 40% stake while PDVSA has the

remaining 60% share. OVL's investment in the San Cristobal Project is US\$355.7 million.

An international consortium comprising ONGC Videsh Limited (OVL), Indian Oil Corporation (IOC), Oil India Ltd. (OIL), Repsol of Spain and Petronas of Malaysia were declared the winners of an international bidding process to develop a multi-billion dollar integrated onshore Carabobo oil project in the Orinoco belt of Venezuela. The Cabinet Committee on Economic Affairs (CCEA) chaired by then Prime Minister Dr. Manmohan Singh, approved an initial investment of US\$2.181 billion in the project. The "First Oil" from PetroCarabobo S.A. Project was produced on 27 December 2012. Production is expected go up to about 400,000 bopd in about 5-6 years. In another development, Reliance Industries Limited (RIL) signed a 15-year crude supply contract with PDVSA, Venezuelan's State Oil Company, under which Venezuela will send up to 400,000 barrels of oil per day (bopd) to India.

As a follow up of then Venezuelan Oil and Mining Minister Rafael Ramirez's visit to India during Sept 2013, the 1st Business Roundtable Venezuela-India: Identification and Development of Opportunities was held to explore greater bilateral cooperation in the energy and allied sectors was held in Caracas on 7-9 October 2013. 8 Indian companies ONGC (Videsh) Ltd. (OVL), Indian Oil Corporation Ltd. (IndianOil), Oil India Limited (OIL), Engineers India Limited (EIL), HPCL-Mittal Energy Limited (HMEL), Reliance Industries Ltd. (RIL), Essar Energy and Larsen & Toubro (L&T), and top executives of PDVSA and other allied energy institutions, participated in these roundtables. Nine joint venture agreements were signed between Indian companies and PDVSA and its subsidiaries.

**Other Sectors:** Venezuela has expressed interest in cooperation with India for import of relevant technologies and machinery for various development projects such as agro-processing, milk and animal husbandry, health sector, bio-technology, remote sensing, IT and other areas.

**Culture:** Performances of Indian dance and music troupes have been regularly sponsored through ICCR. Venezuelan electronic and print media have been screening/ publishing documentaries/ programmes and stories on India. There are centres of Sai Baba, Brahma Kumaris, Radha Swami, ISKON and several yoga centres. Ayurveda is becoming popular. The Food and Cultural Festival of India were organised successfully in October 2010 and March 2012. India also participated in the 39<sup>th</sup> International Fair of Barquisimeto in September 2011.

**Education and ITEC:** The Embassy was instrumental in starting a *Catedra Libre* (India Chair/Study Centres) in the University of Los Andes (ULA) in Merida in 2006 and in the Central University of Venezuela (UCV) in Caracas in 2007. ULA has entered into a bilateral Memorandum of Understanding with JNU and Delhi University. **ITEC:** Encouraged by the response last year, the Government of India allotted 16 ITEC seats to Venezuela for 2014-15. **Indian Community:** There are about 50 Indian families in Venezuela, of which about 35 are in Caracas. The

Indian Association of Venezuela, which was revived in 2003, organizes Indian festivals like Diwali, Holi, etc in which members of Indian community and friends of India participate.

**Useful Resources:**

Embassy of India, Caracas website:

<http://www.embindia.org/>

Embassy of India, Caracas Facebook page:

<https://www.facebook.com/IndianEmbassy.Caracas>

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